PERMITCO
PETROLEUM PERMITTING COMPANY

13585 Jackson Drive • Denver, Colorado 80241 • (303) 452-8888 • FAX (303) 457-1583

June 5, 1998

Utah Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Attn: John Baza

Re: Rosewood Resources, Inc.
Rosewood Federal #5-6
1946' FNL and 1936' FWL
SE NW Sec. 5, T12S - R22E
Uintah County, Utah

Dear John,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with one copy of the drilling program and surface use plan which has been filed with the BLM in Vernal, Utah.

Please forward the approved copies Lucy Nemec of Rosewood Resources, Inc., 265 E. 100 S., Vernal, UT 84078. Thanks for your assistance in this matter. If you have any questions, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
Rosewood Resources, Inc.

Enc.

cc: Rosewood Resources, Inc. - Vernal, UT
Rosewood Resources, Inc. - Dallas, TX

FORM 3160-3
(December 1990)

SUBMIT IN TRIPLICATE* (Other instructions on reverse)

Form approved.
Budget Bureau No. 1004-0136
Expires December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: UTU-73019

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

7. UNIT AGREEMENT NAME: N/A

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME, WELL NO.: Rosewood Federal

2. NAME OF OPERATOR: Rosewood Resources, Inc. — 435/789-0414 — P. O. Box 1668, Vernal, UT 84078

9. API WELL NO.: #5-6

3. ADDRESS AND TELEPHONE NO.: PERMITCO INC. — 303/452-8888 — 13585 Jackson Drive, Denver, CO 80241

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At Surface: 1946' FNL and 1936' FWL

CONFIDENTIAL

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 5, T12S - R22E

At proposed prod. zone: SE NW Section 5, T12S - R22E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*	12. COUNTY OR PARISH	13. STATE
Approximately 33 miles south of Ouray, Utah	Uintah	Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1936'	2159.59 Acres	40 Acres
18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
None	6,200'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)	22. APPROX. DATE WORK WILL START*
6,234' ungraded	August 10, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	500'	350 sx - circulate to surface
7-7/8"	4-1/2"	11.6#	6,200'	700 sx - stage tool @ 3,000'

Rosewood Resources, Inc. proposes to drill a well to 6,200' to test the Wasatch and Mesa Verde Formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached. CONFIDENTIAL - TIGHT HOLE

Please be advised that Rosewood Resources, Inc. is considered to be the Operator of the above mentioned well. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond No. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

6300 68.6
NW 0694 WH. 8

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: Lisa L. Smith — TITLE: Authorized Agent for: Rosewood Resources, Inc. — DATE: 6/5/98

(This space for Federal or State office use)

PERMIT NO. 43-047-33132 — APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: Federal Approval of this Action is Necessary

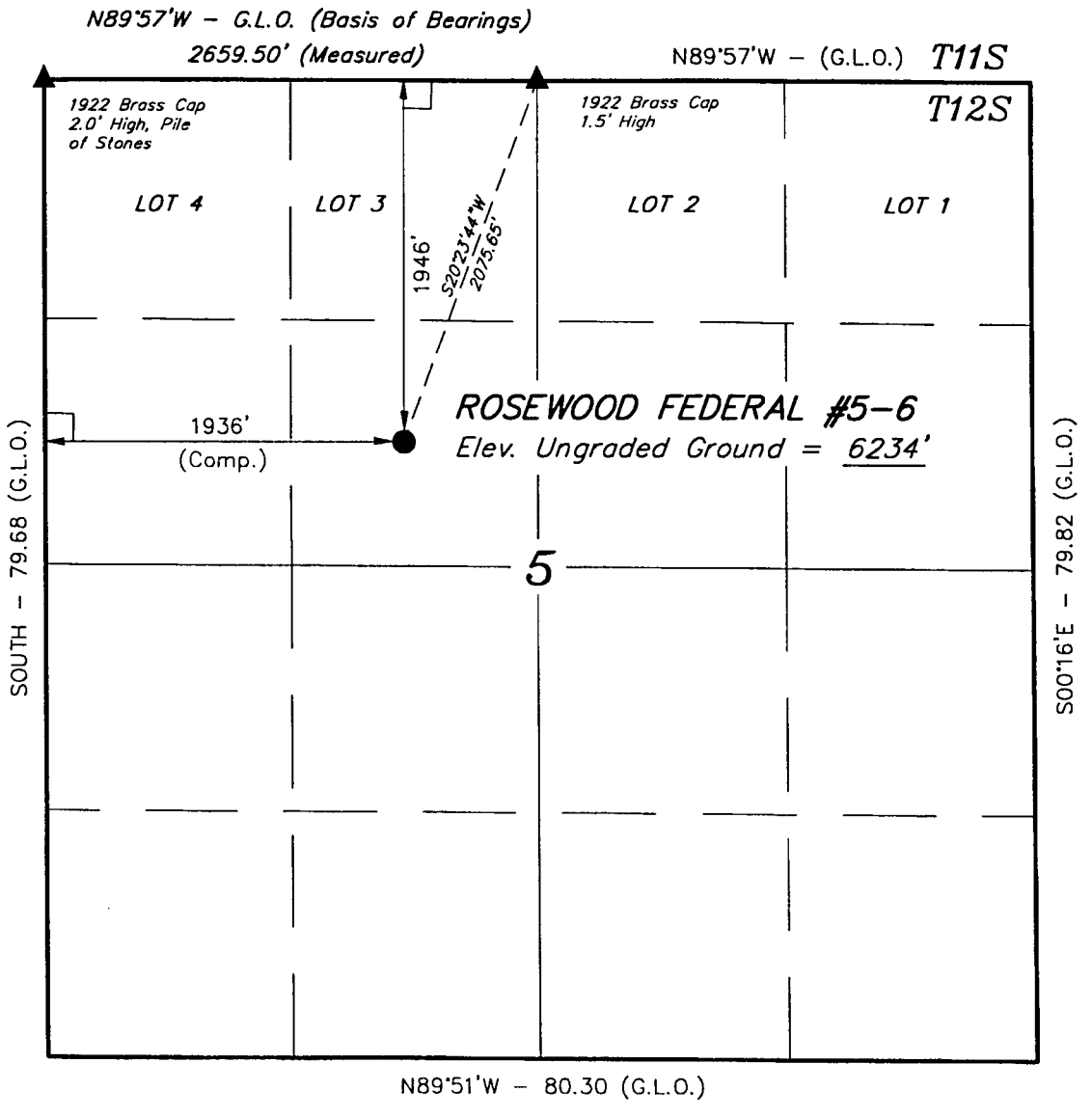
APPROVED BY — TITLE BRADLEY G. HILL RECLAMATION SPECIALIST III — DATE 6/25/98

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
JUN 17 1998
DIV. OF OIL, GAS & MINING

T12S, R22E, S.L.B.&M.

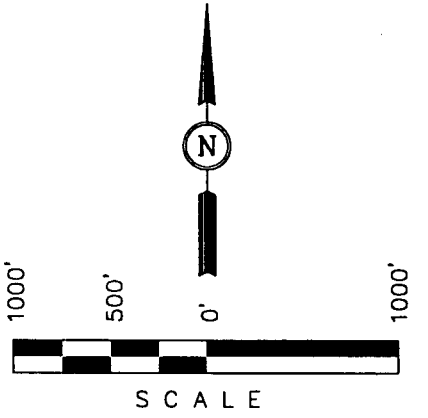


ROSEWOOD RESOURCES, INC.

Well location, ROSEWOOD FEDERAL #5–6, located as shown in the SE 1/4 NW 1/4 of Section 5, T12S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED NEAR A LANDING STRIP IN THE NW 1/4 OF SECTION 9, T12S, R22E, S.L.B.&M. TAKEN FROM THE BUCK CAMP CANYON QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6337 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

No. 161319
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REGISTERED LAND SURVEYOR · STATE OF UTAH

LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 39°48'15"
LONGITUDE = 109°28'50"

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789–1017

SCALE: 1" = 1000'	DATE SURVEYED: 03–06–98	DATE DRAWN: 03–12–98
PARTY: L.D.T. D.H. D.R.B.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: ROSEWOOD RESOURCES, INC.	

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore Federal and Indian Oil & Gas Leases

ROSEWOOD FEDERAL #5-6
1946' FNL and 1936' FWL
SE NW Sec. 5, T12S - R22E
Uintah County, Utah

Prepared For:

ROSEWOOD RESOURCES, INC.

By:

PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888

Copies Sent To:

3 - Bureau of Land Management - Vernal, UT
1 - Utah Division of Oil, Gas & Mining - Salt Lake City, UT
3 - Rosewood Resources, Inc. - Vernal, UT
3 - Rosewood Resources, Inc. - Dallas, TX

ROSEWOOD
RESOURCES

May 4, 1998

Bureau of Land Management
170 South 500 East
Vernal, UT 84078

Attention: Minerals

RE: Rosewood Federal #28-8
SENE Sec. 28, T11S, R22E

Rosewood Federl#14-6
SENW Sec. 14, T12S, R22E

Rosewood Federal #5-6
SENW Sec. 5, T12S, R22E

Rosewood Federal #19-11
NESW Sec. 19, T12S, R22E

Rosewood Federal #4-6
SENW Sec. 4, T12S, R22E

Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Rosewood Resources, Inc. when necessary for filing county, state and federal permits including Onshore Order no. 1, Right of Way applications, etc., for the above mentioned wells.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Rosewood Resources, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned wells. If you have any questions, please feel free to contact me at (435) 789-0414.

Sincerely,

Danny Widner

Danny Widner
Drilling Manager

Rosewood Resources, Inc.
265 East 100 South
PO Box 1668
Vernal, Utah 84078
435 789 0414
435 789 0479 (Fax)

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Rosewood Federal #5-6

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PETROLEUM PERMITTING
PERMITCO
COMPANY

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops of Important Geologic Markers

Formation	Depth	Subsea
Uintah A	Surface	+6,234'
Wasatch	3,600'	+2,634'
Mesa Verde	5,900'	+ 334'
T.D.	6,200'	- 34'

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations:

Substance	Formation	Depth
Oil	Wasatch	3,600'-5,900'
Oil	Mesa Verde	5,900'-6,200'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

Rosewood's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

a. when initially installed;
b. whenever any seal subject to test pressure is broken
c. following related repairs; and
d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 10", 3000 psi working pressure blowout preventor.

b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.

c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program:

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture

gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.

b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).

c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)

d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.

e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.

g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.

j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

m. The proposed casing program will be as follows:

Purpose	Depth	Hole Size	O.D.	Weight	Grade	Type	New or Used
Surface	0-500'	12-1/4"	9-5/8"	36#	J-55	ST&C	New
Produc.	0-6200'	7-7/8"	4-1/2"	11.6#	N-80	LT&C	New

n. Casing design subject to revision based on geologic conditions encountered.

o. The cement program will be as follows:

Surface	Type and Amount
0-500'	350 sx Class "G" containing 2% $CaCl_2$ and 1/4# sk Cello-flake or sufficient to circulate to surface.

Production	Type and Amount
0-6200'	1st Stage: 500 sx Class "G" + 10% salt + 10% Gypsum + 0.6% FL-52. Top of cement on 1st stage at approximately 3400'. Cement stage tool will be set at approximately 3000'. 2nd Stage: 200 sx Class "G" + 3% salt + 16% gel + 5#/sk Gilsonite, + .25#/sk celloflake. Top of cement on 2nd stage at surface.

p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

r. The following reports shall be filed with the District Manager within 30 days after the work is completed.

1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:

a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.

s. Auxiliary equipment to be used is as follows:

1. Kelly cock

2. No bit float is deemed necessary.

3. A sub with a full opening valve.

5. Mud Program

a. The proposed circulating mediums to be employed in drilling are as follows:

Interval	Mud Type	Mud Wt.	Visc.	F/L	PH
0-300'	Air/Clear Water	8.3	---	N/C	---
300-2000'	Clear Water	8.3	---	N/C	---
2000'-6000'	Water/Gel	8.4-9.7	30-40	8	---

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

b. Mud monitoring equipment to be used is as follows:

1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.

c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

b. An AIT/GR/CDL/ML/GR will be run from surface casing to T.D.

c. No cores will be run.

d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and

compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cutting, fluids, and/or gases0 will be submitted when requested by the authorized officer (AO).

e. The anticipated completion program will be to test prospective zones in Mesa Verde and Wasatch Formations by perforating and fracture stimulation.

f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures or Pressures

a. The expected bottom hole pressure is 3000 psi.

b. No hydrogen sulfide gas is anticipated and no abnormal pressures or temperatures are anticipated.

8. Anticipated Starting Dates and Notification of Operations

a. Drilling will commence August 10, 1998.

b. It is anticipated that the drilling of this well will take approximately 10 days.

c. The BLM in Vernal, Utah shall be notified of anticipated date of location construction commencement and of anticipated spud date.

d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.

g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.

j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All

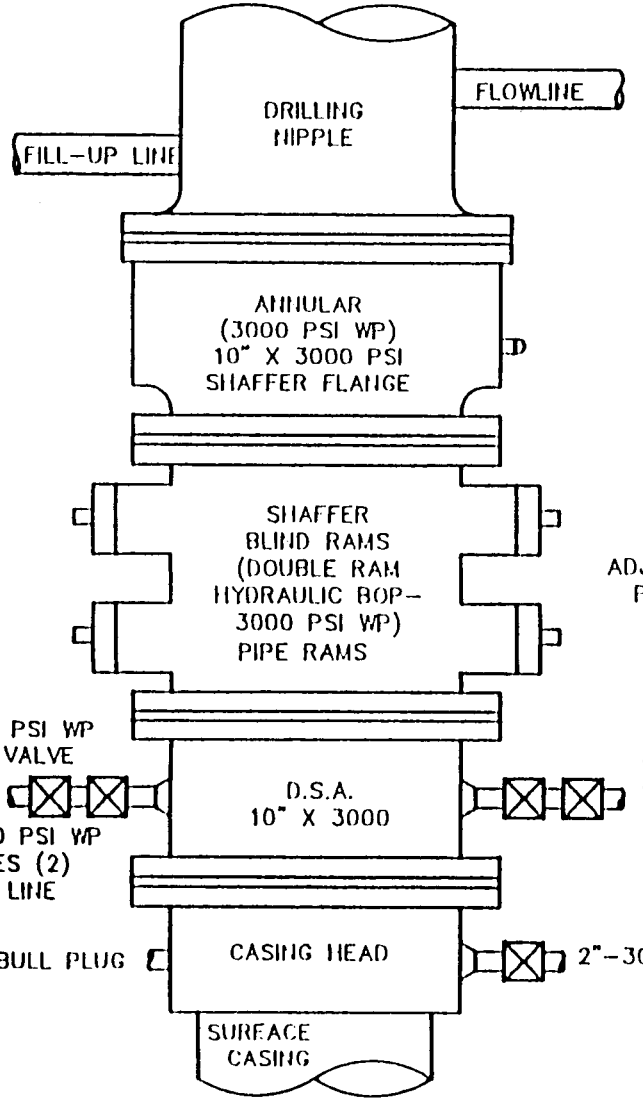
product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

m. A first production conference will be scheduled within 15 days after receipt of the first production notice.

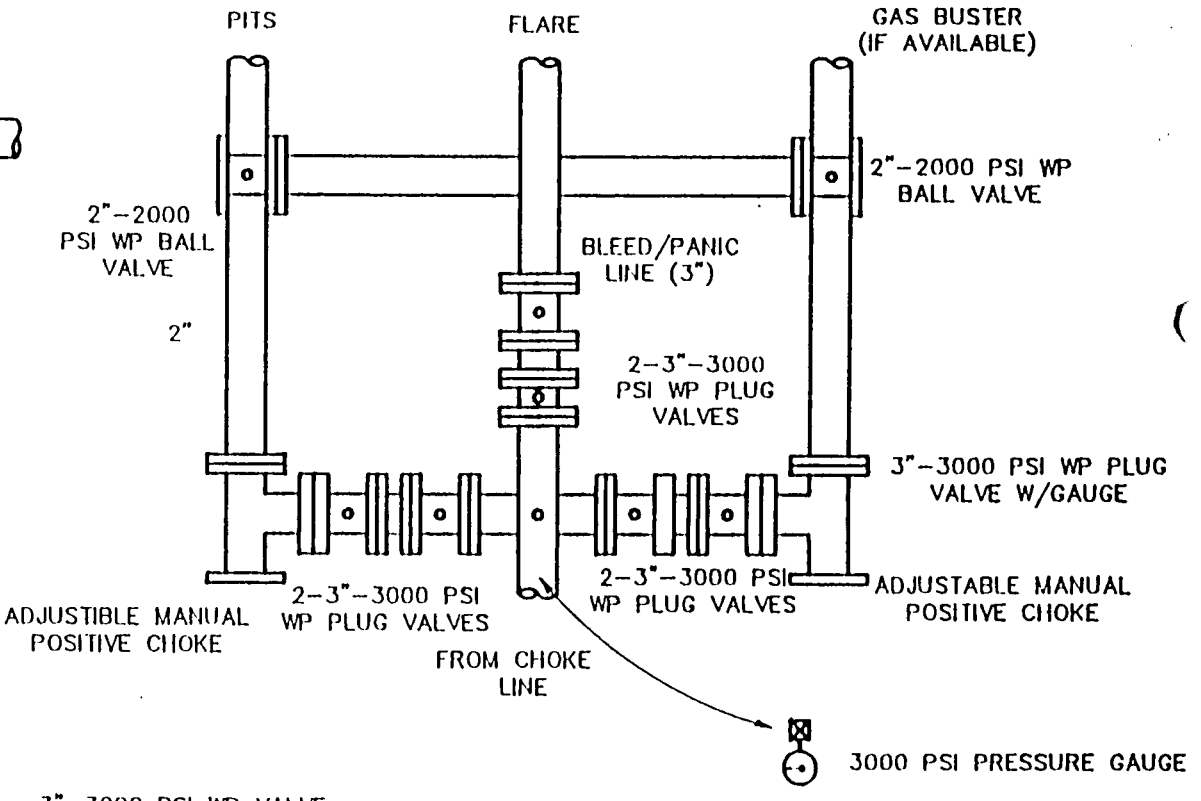
n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

BOP SCHEMATIC
3000 PSI WORKING PRESSURE



PLAN VIEW CHOKE MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

Location Construction	-	forty-eight (48) hours prior to construction of location and access roads.
Location Completion	-	prior to moving on the drilling rig.
Spud Notice	-	at least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing	-	twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and Related Equipment Tests	-	twenty-four (24) hours prior to initiating pressure tests.
First Production Notice	-	within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

The onsite inspection for the subject well was conducted on Tuesday, May 5, 1998 at approximately 11:25 a.m. Weather conditions were warm and sunny. In attendance at the onsite inspection were the following individuals:

Lisa Smith	Permitco Inc.
Robert Kay	Uintah Engineering and Land Surveying
Byron Tolman	Bureau of Land Management
Steve Strong	Bureau of Land Management
Danny Widner	Rosewood Resources, Inc.
Charlie Foster	Rosewood Resources, Inc.

1. Existing Roads

a. The proposed well site is located approximately 33.0 miles south of Ouray, Utah.

b. Directions to the location from Ouray, Utah are as follows:

Proceed southerly on the Seep Ridge Road for 22.3 miles to a fork in the road. Turn left (Upper Natural Buttes access to Bitter Creek). Turn left onto the East Bench Road and proceed southerly for an additional 9.4 miles. Turn right an existing two-track road and proceed in a northwesterly direction for approximately 1.3 miles. Turn right onto the new access road and proceed northerly for approximately 50' to the location.

c. For location of access roads within a 2-Mile radius, see Maps A & B.

d. Improvement to the existing access will not be necessary.

e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. Planned Access Roads

a. The last 1.3 miles of existing two-track road will be upgraded to a crowned and ditched road. Excess soil material near the landing strip will be utilized for crowning. The running surface will be 17' and a 30' maximum disturbed width. The remainder of the access is maintained by the county road department or is a BLM road.

b. The maximum grade of the new construction will be approximately 3%.

c. No turnouts are planned.

d. No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.

e. The new access road was centerline flagged at the time of staking.

f. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.

g. No cattleguards will be necessary.

h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

k. If the well is productive, additional water drainage will be installed along the new portion of access road to keep the water off the road.

l. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this

well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

m. A road right of way will be required for the portion of access road crossing the NW NW of Section 9, T12S - R22E. This right of way will be submitted separately under SF-299 along with the appropriate filing fees.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location. See Map "B".

a. Water wells - none

b. Injection wells - none

c. Producing wells - none

d. Drilling wells - none

e. Shut-in wells - none

f. Temporarily abandoned wells - none

g. Disposal wells -none

h. Abandoned wells - one

i. Dry Holes - none

4. Location of Tank Batteries and Production Facilities.

a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Carlsbad Canyon. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

c. A typical production layout is attached. If at the time of production it is determined that an alternate layout is necessary, a Sundry Notice will be submitted showing placement of all production facilities prior to construction.

d. All loading lines will be placed inside the berm surrounding the tank battery.

e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.

g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

h. Any necessary pits will be properly fenced to prevent any wildlife entry.

i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.

l. The road will be maintained in a safe useable condition.

m. The surface pipeline will be 4" welded steel and will be 25,200 feet in length. The pipeline route is shown on Map "C"

5. Location and Type of Water Supply

a. The proposed water source is a water well to be drilled on the Rosewood Federal #4-6 wellpad located in the SE NW Sec. 4, T12S - R22E. If this source should be insufficient, additional water will be obtained from the Rock House #5A or Bitter Creek. Copies of approved water permits will be sent to the BLM, upon approval from the Utah Division of Water Rights once copies are received.

b. Water will be hauled to location over the roads marked on Maps A and B.

c. No water well will be drilled on this lease.

6. Source of Construction Material

a. Surface and subsoil materials in the immediate area will be utilized.

b. Any gravel used will be obtained from a commercial source.

c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.

d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

a. The reserve pit will be constructed so as not to leak, break, or allow discharge.

b. If it is necessary to blast the pit area during construction, an inspection of the pit will be made by a representative of the BLM with a representative of Rosewood Resources, Inc. and it will be determined if a reserve pit liner is necessary. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.

d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

e. Drill cuttings are to be contained and buried in the reserve pit.

f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

g. A chemical porta-toilet will be furnished with the drilling rig.

h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

a. The operator or his/her contractor shall contact the BLM Office at 435/789-1362 forty-eight (48) hours prior to construction activities.

b. The reserve pit will be located on the northeast side of the location.

c. The flare pit will be located downwind of the prevailing wind direction on the south side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

d. The stockpiled topsoil (first six inches) will be stored on the north and south sides of the location as shown on the Pit & Pad Layout. Topsoil along the access route will be windrowed on the uphill side. A separate topsoil pile will be located near the reserve pit to be used in the initial reclamation of the pit if the well is productive.

e. Trees will be stockpiled separately from the topsoil and subsoil on the uphill side of the pit.

f. Access to the wellpad will be from the west as shown on the Pit & Pad Layout.

g. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.

h. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.

i. During construction, all brush/trees will be removed from the wellpad and access road and stockpiled separately from the topsoil as shown on the Pit & Pad Layout.

j. All pits will be fenced according to the following minimum standards:

1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).

2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.

3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.

5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

k. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Restoration of Surface

Producing Location

a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.

b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.

c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.

d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.

e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

The seed mixture requested by the BLM for reclamation of the drillsite is as follows:

Species	Lbs. PLS/Acre
Fourwing Saltbush	4
Needle & Thread	3
Shadscale	3
Black Sage	2

Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the

approval of the authorized officer of the BLM. Seed will be broadcast and walked in with a dozer.

f. The topsoil stockpile will be seeded with Fourwing Saltbush at the rate of 5 lbs./acre

Dry Hole

g. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All roads are County maintained or managed by the Bureau of Land Management.

Wellpad - The well pad is located on lands managed by the BLM.

12. Other Information

a. A Class III archeological survey will be conducted by Sagebrush Archeology. A copy of this report will be submitted directly to the appropriate agencies by Sagebrush Archeology. In addition, a Paleontological survey has been conducted by Sue Ann Bilbey. A copy of this report is attached.

b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.

e. No erosion control structures are proposed at this time.

f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his

subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.

h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.

i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.

k. The operator or his contractor shall contact the BLM Offices at 435/789-1362 48 hours prior to construction activities.

l. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

m. In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman	Petroleum Engineer	435/789-7077
Wayne Bankert	Petroleum Engineer	435/789-4170
BLM Fax Machine		435/789-3634

13. Lessee's or Operator's Representative and Certification

Permit Matters	Drilling & Completion Matters
PERMITCO INC. Lisa L. Smith 13585 Jackson Drive Denver, CO 80241 303/452-8888	ROSEWOOD RESOURCES, INC. P.O. Box 1668 Vernal, UT 84078 435/789-0414 (O) 435/828-6100 (M) - Danny Widner 435/828-6438 (M) - Salty Miller 435/789-0823 (H)

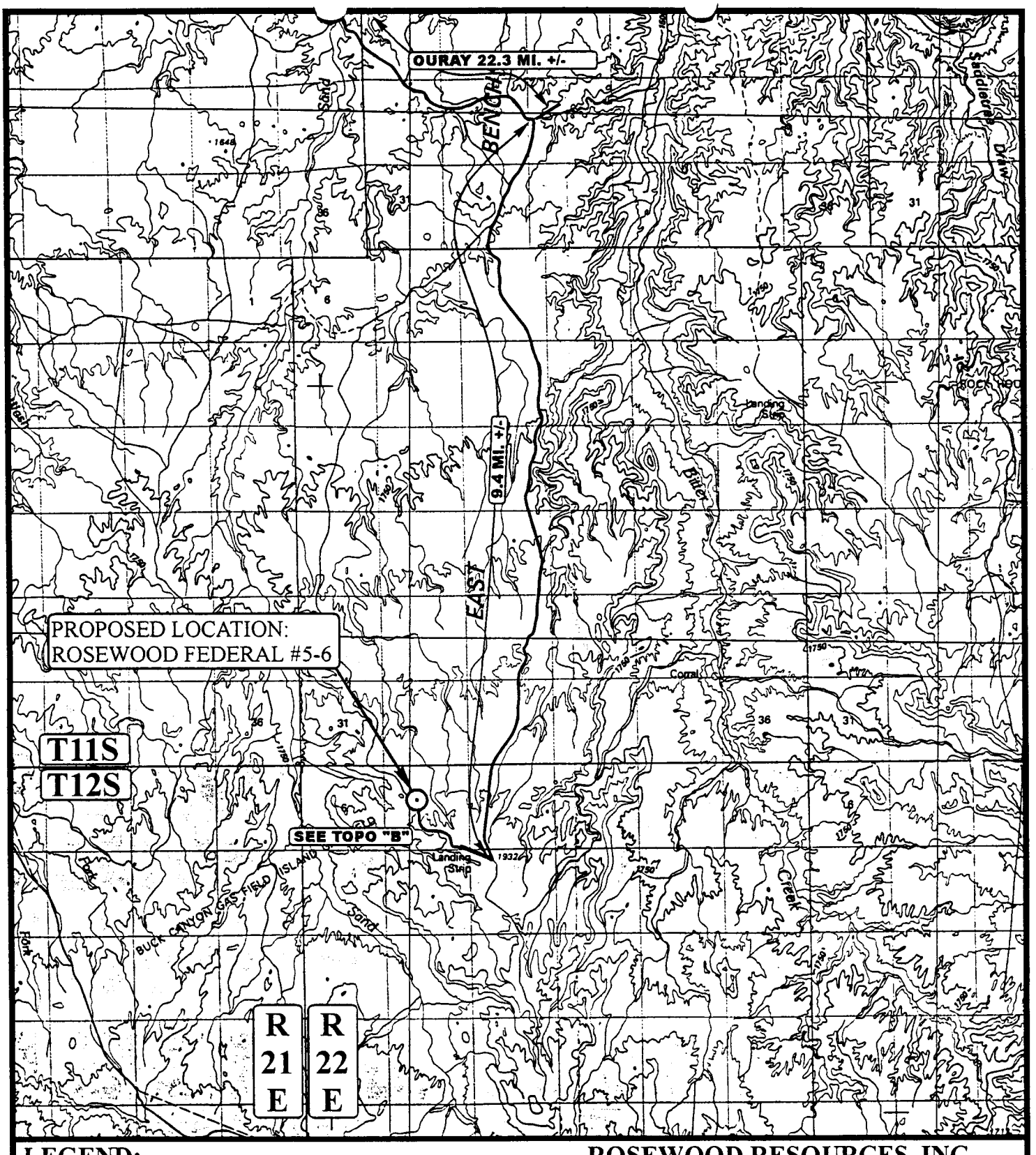
Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Rosewood Resources, Inc. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

June 5, 1998
Date:

Lisa L. Smith - PERMITCO INC.
Authorized Agent for:
ROSEWOOD RESOURCES, INC.



LEGEND:

⊙ PROPOSED LOCATION

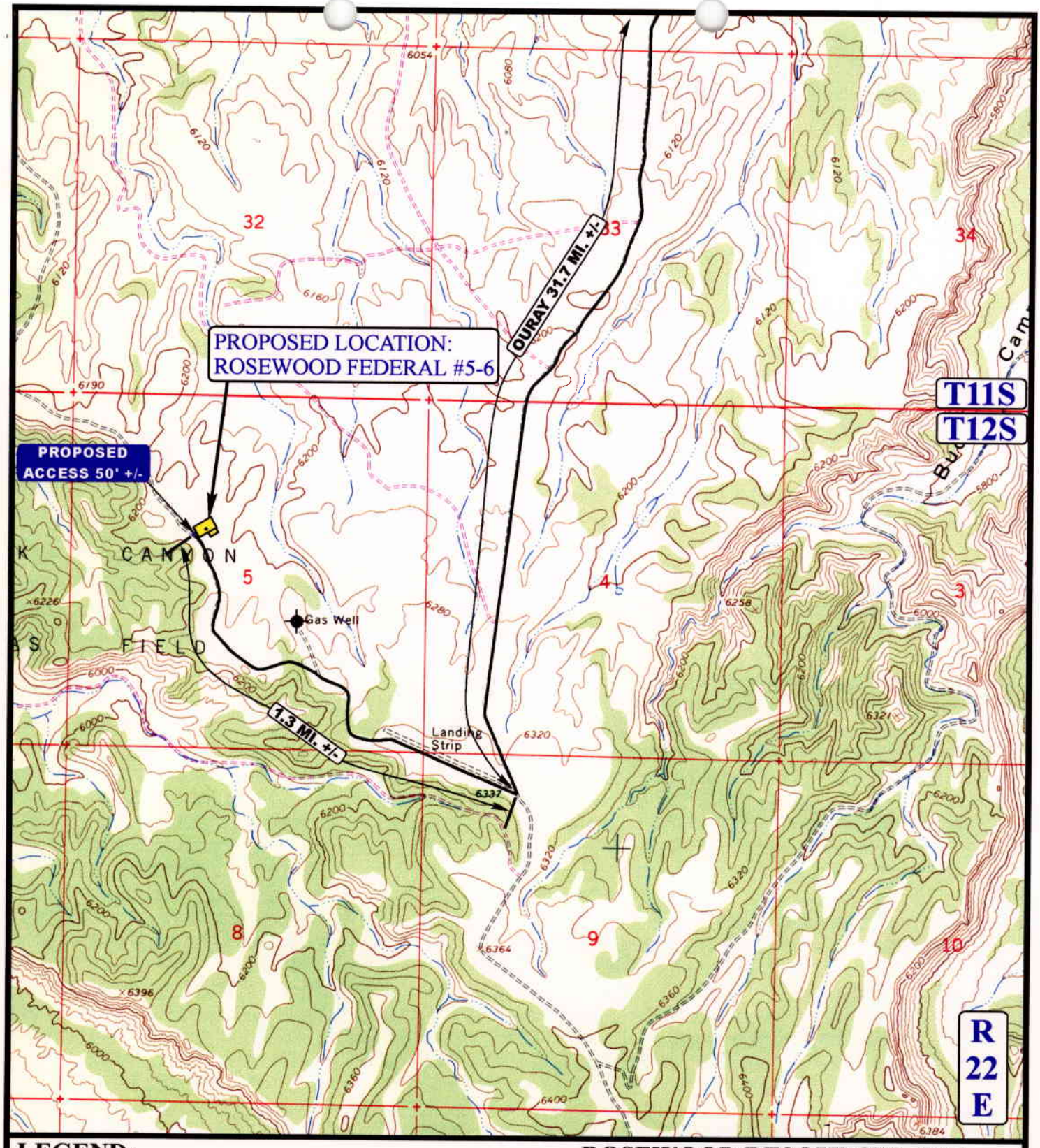
N

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	3 MONTH	9 DAY	98 YEAR
SCALE: 1 : 100,000	DRAWN BY: C.G.	REVISED: 00-00-00	A TOPO



LEGEND:

PROPOSED ACCESS ROAD

EXISTING ROAD

ABANDONED WELL

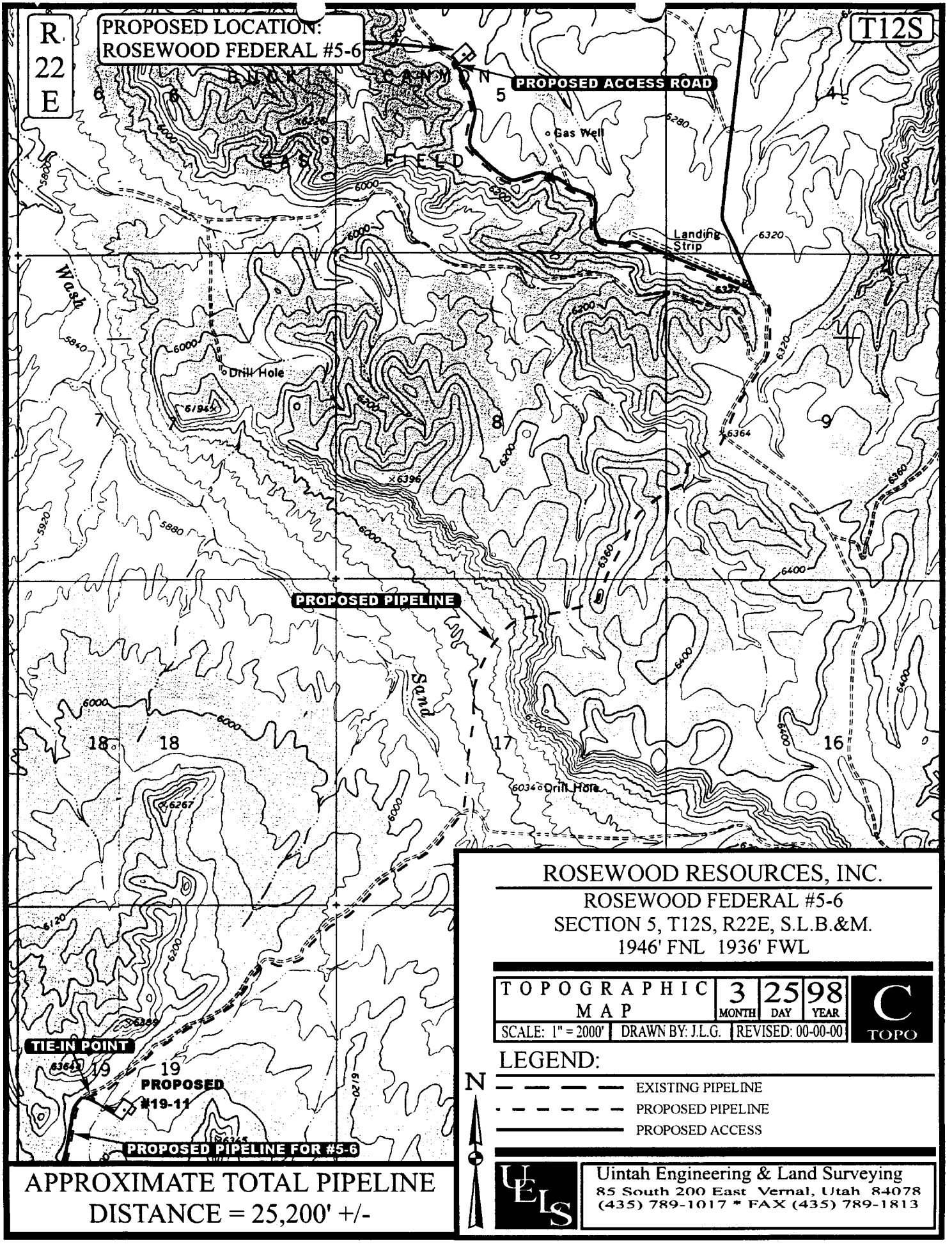
N

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	3 MONTH	9 DAY	98 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.G.	REVISED: 5-8-98		



ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL

TOPOGRAPHIC MAP	3 MONTH	25 DAY	98 YEAR
SCALE: 1" = 2000'	DRAWN BY: J.L.G.	REVISED: 00-00-00	

C TOPO

LEGEND:

N

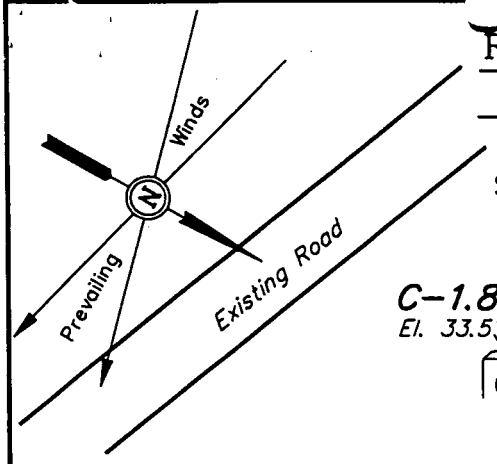
EXISTING PIPELINE
PROPOSED PIPELINE
PROPOSED ACCESS

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

ROSEWOOD RESOURCES, INC.

LOCATION LAYOUT FOR

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL



SCALE: 1" = 50'
DATE: 03-12-98
Drawn By: D.R.B.

C-1.8'
El. 33.5'

C-1.2'
El. 32.9'

Proposed Access Road

F-5.3'
El. 26.4'

Sta. 3+25

Round Corners as Needed

Approx. Toe of Fill Slope

Approx. Top of Cut Slope

DATA

175'

CATWALK

PIPE RACKS

Topsoil Stockpile

FLARE PIT

El. 35.5'
C-3.8'

El. 36.6'
C-14.9'
(btm. pit)

C-2.4'
El. 34.1'

50'

30'

RIG

DOG HOUSE

35'

120'

Sta. 1+50

F-2.4'
El. 29.3'

MUD TANKS

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRAILER

TOILET

FUEL

Reserve Pit Backfill & Spoils Stockpile

10' WIDE BENCH

180'

Pit Capacity With 2' of Freeboard is 9,710 Bbls. ±

Slope = 1:1

RESERVE PITS
(10' Deep)

TRASH

150'

Sta. 0+10

STORAGE TANK

Sta. 0+00

El. 31.8'
C-10.1'
(btm. pit)

F-1.0'
El. 30.7'

F-2.1'
El. 29.6'

F-2.6'
El. 29.1'

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Elev. Ungraded Ground at Location Stake = 6234.1'

Elev. Graded Ground at Location Stake = 6231.7'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

ROSEWOOD RESOURCES, INC.

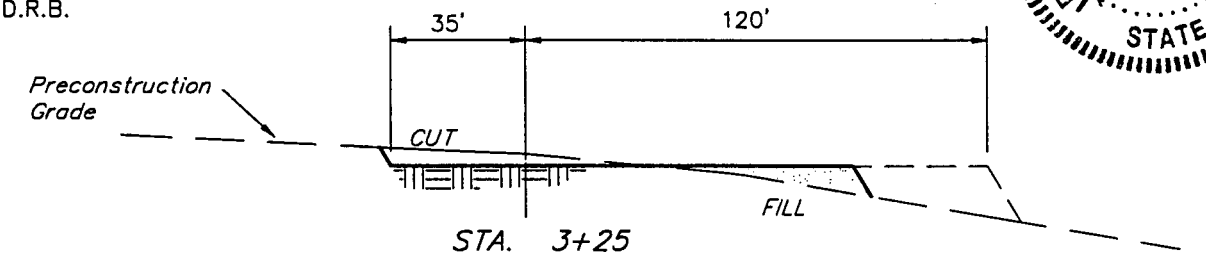
TYPICAL CROSS SECTIONS FOR

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL

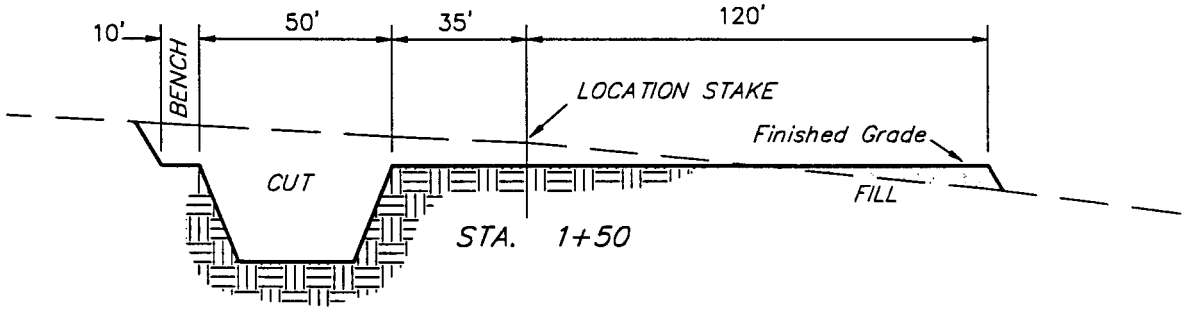
1" = 20'
X-Section Scale
1" = 50'

DATE: 03-12-98
Drawn By: D.R.B.

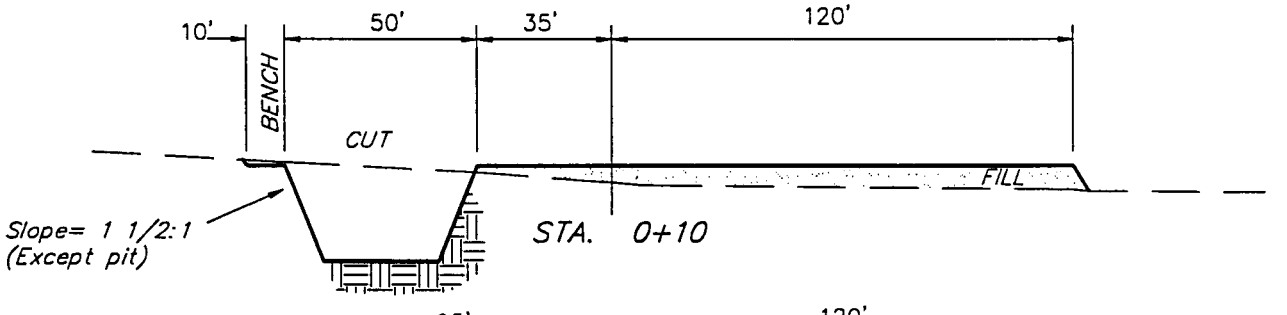
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
ROBERT L. KAY
STATE OF UTAH



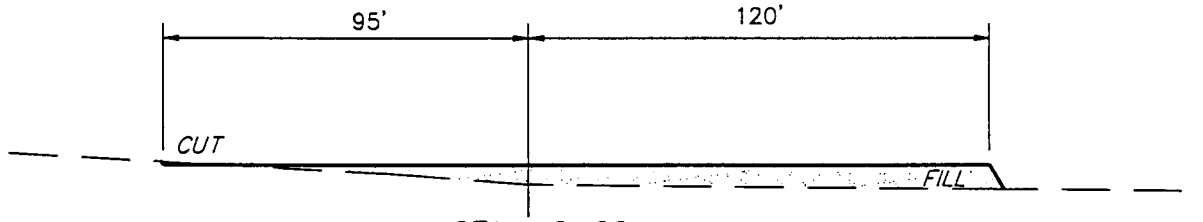
STA. 3+25



STA. 1+50



STA. 0+10



STA. 0+00

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,100	Cu. Yds.
Remaining Location	= 4,180	Cu. Yds.
TOTAL CUT	= 5,280	CU.YDS.
FILL	= 2,770	CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,360	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0	Cu. Yds.

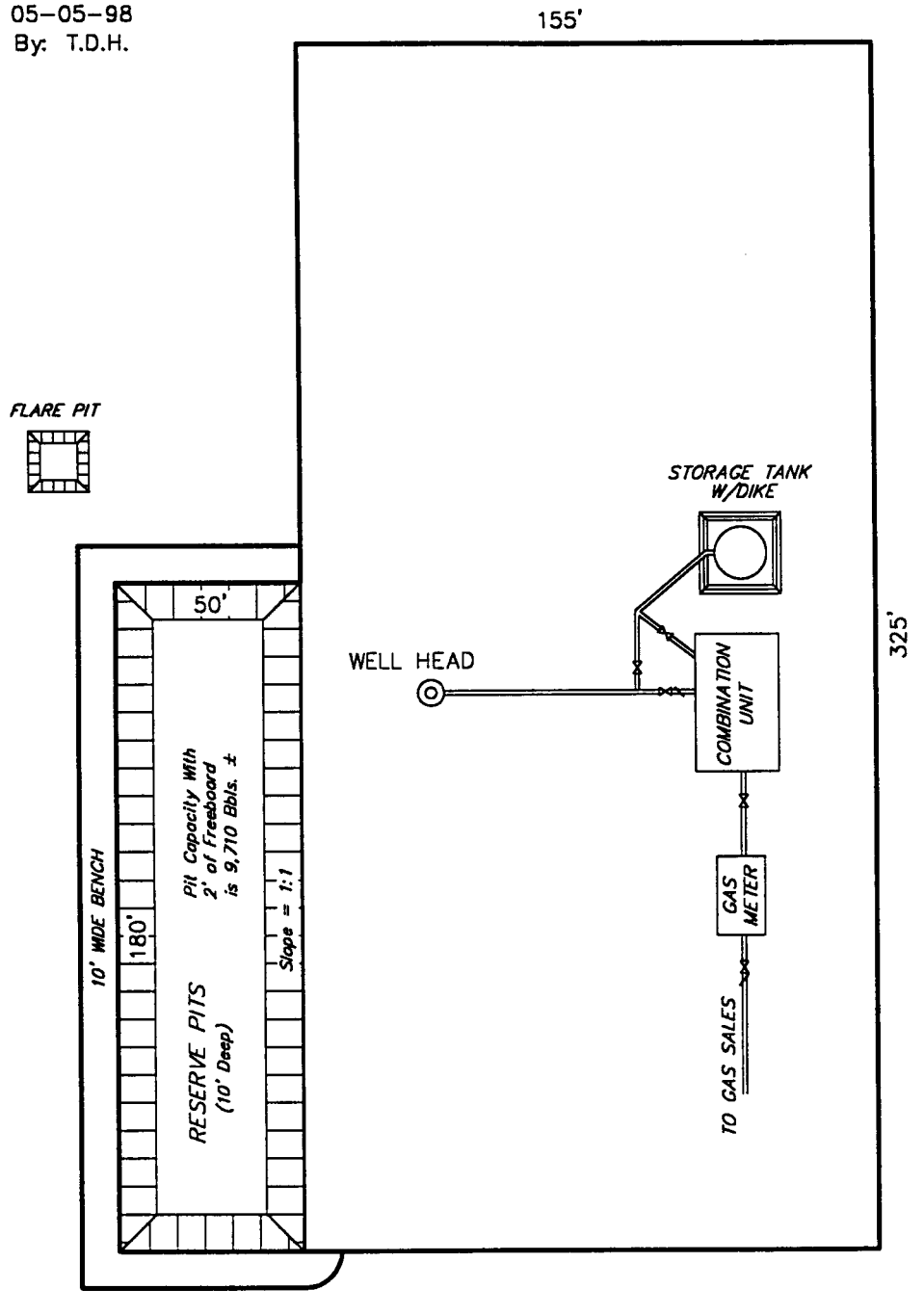
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

ROSEWOOD RESOURCES, INC.

TYPICAL PRODUCTION FACILITY LAYOUT

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S – R22E
1946' FNL AND 1936' FWL

SCALE: 1" = 50'
DATE: 05-05-98
Drawn By: T.D.H.



UINTAH ENGINEERING & LAND SURVEYING
86 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

ANTELOPE HABITAT STIPULATION

The lessee/operator is given notice that the area has been identified as crucial pronghorn (antelope) habitat. Modifications, including seasonal restrictions from May 15 through June 20, may be required in the Surface Use Plan of Operations to protect the pronghorn during the kidding period. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

A Class III Archeological Survey has been conducted by Sage Brush Archeology. A copy of this report will be submitted directly to the appropriate agencies by Sagebrush Archeology.

PALEONTOLOGICAL FIELD SURVEY REPORT

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #5-6

SECTION 5, TOWNSHIP 12 SOUTH, RANGE 22 EAST

UINTAH COUNTY, UTAH

MAY 12, 1998

BY

SUE ANN BILBEY, Ph.D. and EVAN HALL
UINTA PALEONTOLOGICAL ASSOCIATES
446 SOUTH 100 WEST
VERNAL, UTAH 84078
435-789-1033

INTRODUCTION

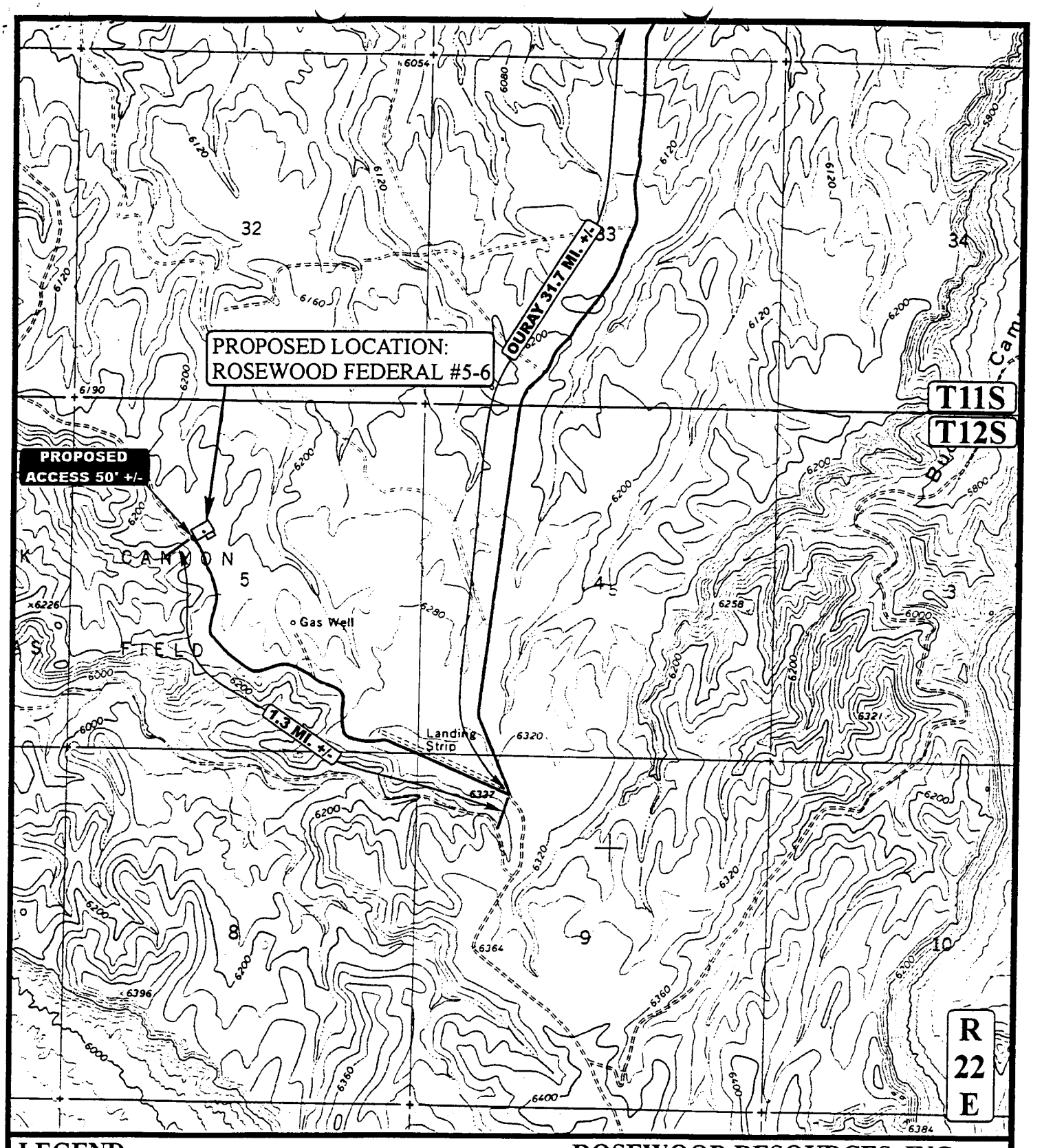
In early May, I was contacted by Danny Widner of Rosewood Resources, Inc. to do a paleontological field survey for the well site and access road for Rosewood Federal #5-6 in SE1/4, NW1/4, Section 5, Township 12 South, Range 22 East on Bureau of Land Management lands in Uintah County, Utah. I have contacted Blaine Phillips, Archaeologist at the Bureau of Land Management in Vernal, Utah and Martha Hayden at the Utah Geological Survey to obtain sensitivity information regarding the Uinta Formation in this general area. In addition, Utah Field House site information was also reviewed.

This paleontological resource study is designed to comply with federal and state legislative and construction permit requirements regarding ground disturbing activities associated with well sites, pipelines, and access roads. The description in Appendix B summarizes the research design for a paleontological resource survey.

A 100% pedestrian field survey was done at well site Rosewood Federal #5-6 in Section 5 on May 11, 1998. The access road right-of-way was also evaluated at that time.

GEOLOGIC HISTORY OF TERTIARY ROCKS IN THE UINTA BASIN

A major unconformity marks the end of the Cretaceous and beginning of the Tertiary Period in the eastern Uinta Basin/Mountains and northwestern Colorado (Fisher, Erdman, and Reeside, 1960). The Mesaverde Group unconformably underlies the Late Paleocene-Early Eocene Wasatch/Colton Formation). These Tertiary rocks are very similar region-wide as heterogeneous continental deposits with interfingering channel sandstones and overbank deposits of claystone (Franczyk, Pitman, and Nichols, 1990). These rocks date from the late Paleocene and early Eocene and are



LEGEND:

PROPOSED ACCESS ROAD

EXISTING ROAD

N

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	3 MONTH	9 DAY	98 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.G.	REVISED: 00-00-00		

known to contain a rich continental flora and fauna (Black and Dawson, 1966; Savage and Russell, 1983; Doi, 1990).

Transitional beds mark environmental changes from fluvial to lacustrine in the intermontane basins of the Intermountain West during the mid-Eocene. The Green River Formation in Utah is composed of nearly 7000 feet of middle Eocene lacustrine deposits (light gray to medium greenish gray shale, oil shale, and limestone), part of a large lake system that covered most of northeastern Utah (Lake Uinta), western Colorado, and southern Wyoming (Bryant, et al, 1989). The Green River Formation intertongues with the Wasatch Formation in the eastern Uinta Basin and those deltaic deposits are rich oil producers (Sanborn and Goodwin, 1965; Koesoemadinata, 1970). The southern and western limits of the lake are not known, although coarser sediments to the east and southeast suggest that an outlet and deepest portion of the lake lay to the southwest. This lake persisted through the Late Eocene in the central Uinta Basin and its shoreline fluctuated numerous times.

Conformably overlying and occasionally interfingering with the Green River Formation in the eastern Uinta Basin is the Uinta Formation, an alluvial unit comprised of the Wagonhound (A and B) Member and the Myton (C) Member. These are differentiated by lithologic and paleontologic components. The Wagonhound is identified as reddish gray to gray, fluvial sandstone units with interbedded overbank deposits of light gray to green claystone and mudstone that become more abundant up section (Stagner, 1942; Hamblin, 1987). Alternatively the Myton Member is recognized as variegated mudstone and claystone that weather into badland topography. Significant holotype mammalian fossils have been found in the Uinta Formation prompting paleontologists to identify the unit as the type area for the "Uintan Mammalian Age" of the Eocene Epoch (Kay, 1957).

hills were examined for tiny fossil teeth and fragments of bone. No fossils were found in either the alluvium or the ant hills.

To the southwest, the canyon exposes thick sandstone units up to 2 m thick which are interbedded with reddish mudstone. These are typical Uinta A rock types. No fossils were found in the nearby area.

RECOMMENDATIONS: As no vertebrate fossils were found at this site, no further paleontological work is necessary. However, if vertebrate fossils are encountered during construction of the well site or the access road, the project paleontologist must be notified immediately to evaluate the discovery.

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APPENDIX A

FAUNAL LIST

TERTIARY UINTA FORMATION
FAUNAL LIST
(Taken from Kay, 1957; Black and Dawson, 1966; Madsen and Miller, 1979; Savage and Russell, 1983; and Hamblin, 1987; 1992)

Kingdom Animalia:

Phylum Chordata:

Class Teleostomi (Fish)
- Order Amiformes
  - *Amia plicates ?*
- Order Lepisosteiformes
  - *Lepisoteus* sp. ?

Class Reptilia
- Order Chelonia
  - Family Baenidae
    - *Baena inflata*
    - *B. arenosa*
    - *B. playlastra*
    - *B. gigantea*
    - *B. emilia*
  - Family Testudinidae
    - *Echmatemys callopyge*
    - *E. douglassi*
    - *E. hollandi*
    - *E. uintensis*
    - *E. depressa*
    - *E. obscura*
    - *E. pusilla*
    - *Testudo uintensis*
    - *T. carsoni*
    - *T. utahensis*
    - *T. robustus*
    - *Trionyx egregia*
    - *T. crassa*
    - *T. scutumantiquum*
  - Family Carettochelyidae
    - *Anosteira ornata*
    - *Pseudoanosteira pulchra*
- Order Squamata
  - *Glyptosaurus* sp.
  - *(?)Helodermoides* sp.
- Order Crocodylia
  - *Procimanoidea utahensis*
  - undetermined sp. of Alligator

Class Aves (Birds)
- Order Anseriformes
  - *Eonessa anaticula*

Class Mammalia

Order Lagomorpha
Mytonolagus petersoni

Order Deltatheridia
Limnocyon douglassi
L. potens = Telmatocyon
Oxyaenodon dysclerus
Apatelurus kayi
(?)Micropternodus
= Kentrogomphios

Order Insectivora
Talpavus dupus
Nyctitherium sp.
(?)Micropternodus sp.

Order Primata
Ourayia uintensis
Mytonius hopsoni
Stehlinella uintensis
=Stehlinius

Order Taeniodonta
Stylinodon mirus

Order Dinocerata
Uintatherium sp.
= Dinoceras, Loxolophodon

Order Condylarthra
Hyopsodus uintensis

Order Rodentia
Family Ischyromyoidea
Ischyrotomus petersoni
I. compressidens
I. eugenei
Leptotomus leptodus
L. sciuroides
Reithroparamys gidleyi
Janimus rhinophilus
Mytonomys robustus
M. mytonensis
Thisbemys uintensis
T. medius
Sciuravus latidens
S. popi
Family Clindrodontidae
Pareumys milleri
P. grangeri
P. ? troxelli
Family Protoptychidae
Protoptychus hatcheri

Order Carnivora
Miacis gracilis
M. longipes = Mimocyon
Uintacyon robustus
Prodaphaenus scotti
Procynodictis sp.
Simidectes medius
= Pleurocyon
Mesonyx sp.
Harpagolestes breviceps
H. uintensis

Order Artiodactyla
Family Dichobunidae
Pentacemylus leotensis

Family Agrichoeredae
Protoreodon pumilus

P. progressus
Mytonomeryx scotti
Hylomeryx quadricuspis
H. annectens
Auxotodon pattersoni
Bunomeryx elegans
B. montanus
Mesomeryx grangeri

Family Entelodontidae
Achaenodon insolens
A. uintense

Family Camelidae
Poebrodon kayi

Family Oromerycidae
Oromeryx plicatus
Protylopus petersoni
P. ? annectens
P. parvus
P. minor
P. petersoni
= *Eomeryx, Hyomeryx,*
= *Agriotherium,*
= *Chorotherium,*
= *Protagriochoerus,*
= *Mesagriochoerus*
Diplobunops mattheui
D. vanhouteni

Family Leptomerycidae
Leptotragulus proavus
L. medius
L. clarki
= *Parammeryx*
Leporeodon marshi
= *Camelomeryx,*
= *Merycodesmus*

Order Perrissodactyla
Family Equidae
Epihippus gracilis
E. parvus
E. uintensis
= *Duschesnehippus*
= *Orohippus?*
= *Anchitherium?*

Family Isectolophidae
Isectolophus annectens
I. cuspidens

Family Helaletidae
Dilophodon leotanus

Family Amynodontidae
Amynodon advenum
A. intermedius
= *Diceratherium?*

Family Hyracodontidae
Triplopus rhincerinus
T. obliquidens
= *Prothyracodon*

Family Chalicotheriidae
Eomoropus annectens

Family Brontotheriidae
Mesatirhinus earlei
M. riparius
M. parvus
= *Metarhinus,*
= *Heterotitanops*
Dolichorhinus longiceps
D. intermedius
D. heterodon
Rhadinorhinus abbotti
R. diploconus
Sthenodectes incisivus
S. priscus
Manteoceras uintensis
Protitanotherium emarginatum
P. superbum
=*Diplacodon*
Diplacodon progressum
D. elatum
Eotitanotherium osborni

Epitriplopus uintensis
Forstercooperia grandis

Telmatherium cornutum

APPENDIX B

RESEARCH DESIGN FOR A PALEONTOLOGICAL RESOURCE SURVEY

PROJECT EVALUATION

Federal and State Requirements

The United States Department of Interior/ Bureau of Land Management under the mandates outlined in the following laws and rulings:

1) The Historic Sites Act of 1935 (P.L. 74-292; 49 Stat. 666, 16 U.S.C. 461 et seq.);
2) The National Environmental Policy Act of 1969 (NEPA)(P.L. 91-190; 31 Stat. 852, 42 U.S.C. 4321-4327);
3) The Federal Land Policy and Management Act of 1976 (P.L. 94-579; 90 Stat. 2743, U.S.C. 1701-1782);

request reviews of the paleontological sensitivity of all geologic formations included on Bureau of Land Management lands involved in well site, pipeline, and road construction.

A Technical Analysis of Existing Data involves a paleontological literature search (similar to an archaeological "Class 1 survey") with a thorough review of the bibliography of the formation to be impacted and its paleontological sensitivity. In addition, other unpublished sources are utilized. These include known fossil locality maps and paleontological survey reports in the hands of United States Geological Survey, Bureau of Land Management, university, and museum personnel.

PALEONTOLOGICAL FIELD SURVEY

A Paleontological Field Survey (similar to an archaeological Class 3 survey) report for the Environmental Impact Statement is prepared upon completion of the field survey identifying and describing significant fossil-bearing sites and formations. As necessary pedestrian surveys are done along bedrock exposures. Known and discovered fossil sites in the area are identified and recommendations are made regarding mitigation. All formations to be impacted are identified on topographic or alignment maps.

A classification system (as suggested by the Bureau of Land Management in a Paleontological Manual issued March 4, 1996) used the following criteria for defining the paleontological sensitivity of geological formations:

"Public lands may be classified and ranked based on their likelihood to contain fossils, using the following criteria:

Condition 1 - Areas that are known to contain fossil localities. Consideration of the paleontological resources will be necessary if available information indicates that fossils are present in the area.

Condition 2 - Areas with exposures of geological units or settings that are likely to contain fossils. The presence of geologic units from which fossil have been recovered elsewhere will require an assessment of these same units if they occur in the area of consideration.

Condition 3 - Areas that are very unlikely to produce fossils based on their surficial geology, e.g., igneous or metamorphic rocks, extremely young alluvium, colluvium, or aeolian deposits.

In keeping with the historical policies adopted by the Department of the Interior and the BLM, these classification guidelines apply primarily to vertebrate fossils. However, where noteworthy occurrences of invertebrate or plant fossils are known or expected, the same procedures shall be followed."

In addition as similar classification system (as proposed by the Society of Vertebrate Paleontology, 1995) is used for defining the paleontological sensitivity of geological formations includes:

"I. **High Potential**. Rock units from which vertebrate or significant invertebrate fossils or significant suites of plant fossils have been recovered are considered to have a high potential for containing significant non-renewable fossiliferous resources. These units include, but are not limited to, sedimentary formations and some volcanic formations which contain significant nonrenewable paleontologic resources anywhere within their geographic extent, and sedimentary rock units temporally or lithologically suitable for the preservation of fossils...

II. **Undetermined Potential.** Specific areas underlain by sedimentary rock units for which little information is available are considered to have undetermined fossiliferous potential. Field surveys by a qualified vertebrate paleontologist to specifically determine the potentials of the rock units are required before programs of impact mitigation for such areas may be developed.

III. **Low Potential**. Reports in the paleontological literature or field surveys by a qualified vertebrate paleontologist may allow determination that some areas or units have low potentials for yielding significant fossils. These deposits genterally will not require protection or salvage operations."

Evaluation of formations to be impacted follow these criteria. Consequently many geological formations and informal units are recognized to have the potential to contain fossils. Those containing vertebrate fossils tend to be considered the most significant, and hence the highest susceptibility to ground disturbance. Vertebrate fossils tend to be rare and fragmentary (portions of skeletons) when found, thus having scientific importance. Invertebrate fossils and plant fossils, by contrast are relatively common, unless meeting the above criteria. Of the invertebrate and plant fossil producing localities, the "type" sites (i.e., locations that have produced fossils which paleontologists have used to define extinct species) are considered among the most significant scientific resources.

If significant fossil material (vertebrate, invertebrate, or plant) is encountered during the field survey, appropriate recommendations will be determined by several criteria. These are:

Sampling - During the field survey, material is sampled to facilitate further analyses to determine significance. Frequently fossil taxa are not sufficiently well known to allow the determination of significance in the field.

Salvage - Salvage is requested if the fossil discovery is of scientific interest and if construction will destroy the site. Obviously, this must be reasonably cost effective, since the cost of salvage can be very high (greater than $10,000). In addition the time involved for such an operation (frequently causing an unacceptable delay in construction) also should be evaluated. Rerouting may be considered the more appropriate action.

Monitoring - If critical or significant fossil material is likely to be encountered during ground disturbing activity, monitoring is recommended. The probability of this occurring is determined from the evaluation of the literature and of field survey discoveries.

Route / Site Change - A request for a route change is made if critical or significant fossil material is encountered directly on the right-of-way and the salvage cost or time factor is unacceptably high. A route change also may be requested if the locality is scientifically very important and should be left undisturbed for subsequent scientific evaluation.

A 100% pedestrian field survey through all Type I (high potential) units excluding extremely steep slopes, areas of soil development, and vegetated areas. These excluded areas are either not safe to attempt fossil recovery or are not likely to be productive

paleontologically. Alternatively, areas of good, safe formational exposure should be carefully examined. Type II (undetermined potential) formations should be spot checked on good exposures. Type III (low potential) formations are unlikely to reveal any fossiliferous material and therefore do not need to be examined.

Monitoring and Mitigation Procedures

Mitigation

If a geologic unit is deemed to be of high potential (as determined by a review of the literature and/or a field survey) for containing significant nonrenewable paleontologic resources, mitigation measures should be performed to protect that resource. All phases of the mitigation will be supervised by a qualified professional paleontologist.

1. To prevent damage to a known paleontologically sensitive resource and to prevent construction delays, salvage or rerouting recommendations will be made prior to the beginning of construction.

2. Specific boundaries of sensitive formations must be delineated so the company personnel, developers, and/or contractors are aware of areas with potential problems. Any special treatment will be specified prior to excavation.

3. Contractors must be made aware that the federal land agent, environmental inspector and a qualified professional paleontologist must be contacted if fossil material is unearthed during construction even on segments where no monitoring is required during construction.

Monitoring Plan

During construction there must be adequate paleontological monitoring of significant units to salvage specimens. In sedimentary units established as highly paleontologically significant (Type 1 unit), a qualified paleontological monitor must be present during 100 percent of the ground-disturbing activity, unless it has been previously determined by the project paleontologists that reduced monitoring is appropriate. In geologic units classified as moderately significant (Type 2 unit) the monitor should perform spot checks during construction based on the lithology of the unit. The monitoring program includes:

1. Qualified paleontological monitors will be present during 100 percent of ground disturbing activity along the Type 1 sectors of the route and will perform spot checks along Type 2 portions of the route. Maps of specific areas to be monitored along each segment will be provided to the paleontological monitor, the operation chief for construction, and the Environmental Inspector prior to construction.

   The monitors will be experienced in paleontologic salvage and equipped with tools and supplies to allow rapid removal of specimens. If numerous pieces of equipment are used simultaneously at diverse locations in sensitive areas, at least one monitor should be present at each work location. The monitor will follow the earth-moving equipment and examine excavated material and sidewalls for signs of fossil resources. The paleontological monitor will contact the environmental inspector to request that construction be halted, if necessary, to further evaluate the fossil resources. A follow-up survey, a week or two later if possible, should be conducted through sensitive areas to reaffirm the lack or presence of fossil material (wind and rain frequently expose fossil materials missed during the initial evaluation). The supervising paleontologist, in cooperation with the environmental inspector and paleontological monitor, will determine what material is present, arrange for removal and/or sampling, and verify when excavation at that site may continue.

2. Backup monitors will be available to assist in the removal of large or abundant fossils so that delays to continued construction can be avoided. Due to the remoteness of many sites, there must be adequate time allowed for these people to arrive.

3. Some significant vertebrate resources are small to microscopic in size and may not be readily apparent during construction activity. Close inspection of the fine grained rocks, sampling, and screen washing may determine if fossils are present. If the rocks are fossiliferous, samples will be collected for further recovery. An adequate sample size is determined by the supervising paleontologist. To avoid construction delays, matrix samples may be removed from the path of the excavation for later processing.

Preparation of Fossil Collections

Preparation of small to medium size vertebrate material will be conducted by the primary investigators. If large vertebrate material is encountered, other arrangements may have to be made, e.g., cooperation with the Idaho Museum of Natural History personnel. Under no circumstances will fossils be removed from private lands for any reason, including curation, without the express written consent of the affected landowner. The landowner determines the ultimate repository for his/her collection.

Preparation of vertebrate fossils involves cleaning, stabilizing, and identification. Numbering, boxing, and storage will be done as prescribed by the curation facility. Fossil localities near the right-of-way encountered in the field survey as well as during construction are to be plotted on U. S. Geol. Survey 7.5' quadrangle maps. A complete set of records and photographs with an itemized specimen inventory will be compiled and filed at the curation facility.

Curation Facilities

Curation facilities are chosen by their proximity to the site, by the professional curation staff, or by the federal or state agency which has authority over the site or that portion of the pipeline route. An example of an appropriate institution to be used for curation:

Utah Field House of Natural History State Park

Final Report

Upon completion of construction and evaluation of samples collected along the route, a final report will be compiled. Included in this report will be:

1) Description of field work,
2) Geologic history and stratigraphy of the formations along the route,
3) Survey results and evaluation of the formations impacted, with a description of fossil sites by formation,
4) Significance of recovered specimens with regard to other known localities,
5) Bibliography of formations and paleontological resources,
6) Appendix of Paleontology Locality Forms with maps,
7) Appendix of an itemized specimen inventory of collected samples with curatorial facilities,
8) Appendix of Collection Permits, Curation Agreements, and other appropriate communications.

UINTAH BASIN PUBLIC HEALTH DEPARTMENT

Uintah County Office
147 East Main
Vernal, Utah 84078
(801) 781-5475
FAX: (801) 781-5319

Duchesne County Office
734 North Center Street
P.O. Box 210
Duchesne, Utah 84021
(801) 738-2202

Daggett County Office
Daggett County Courthouse
P.O. Box 156
Manila, Utah 84046
(801) 784-3494

Roosevelt Branch Office
34 South 200 East
Roosevelt, Utah 84066
(801) 722-5085

Joseph B. Shaffer, L., M.B.A., E.H.S.
Director/Health Officer

HEALTH DEPARTMENT USE ONLY

Permit #: _____
Fee ($80.00) received: _____
Approved _____
Date: _____

WASTEWATER PERMIT APPLICATION FOR DRILLING SITES

DRILLING COMPANY **Chandler Drilling** RESPONSIBLE PARTY **Terry Cox**

ADDRESS **475 - 17th St., Suite 100, Denver, CO 80202** PHONE **303/295-0400**

DRILLING FOR **Rosewood Resources, Inc.**

SITE LOCATION **Rosewood Federal #5-6 SE NW Section 5, T12S - R22E 1946' FNL and 1936' FWL**

APPROXIMATE DATES **August 10, 1998** TO _____

SERVICES: POTABLE WATER **X** YES ____ NO SUPPLIER **Mountain West Oil Field Services**

CHEMICAL TOILETS **X** YES ____ NO SUPPLIER **Mountain West Oil Field Services**

LIVING OR OFFICE UNITS: BUNKHOUSES ____ MOBILE HOMES **3** REC. VEHICLES ____

TOTAL UNITS **3** TOTAL PERSONNEL AT SITE: _____

WASTEWATER DISPOSAL PROPOSED:

X HOLDING TANK AND SCAVENGER PUMPING SERVICE - If this system is used, indicate the licensed scavenger employed **Mountain West Oil Field Services**

____ SEPTIC TANK AND ABSORPTION SYSTEM - If this system is proposed, please supply the following information:

1. A soil log prepared by a certified engineer or sanitation.
2. Indicate the type of absorption system intended:
   - ____ Absorption Field
   - ____ Seepage Trench
   - ____ Seepage Pit
   - ____ Absorption Bed
   - ____ OTHER - Describe proposal in detail on an attached sheet.

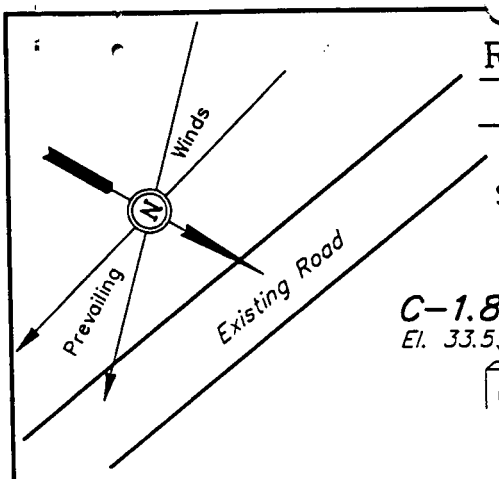
In the spaces below, provide a sketch or drawing of the site indicating:

1. Location of water supply and plumbing. **See Wellsite Layout Attached**
2. Location of living units, offices, etc.
3. Proposed wastewater system layout including septic tank or holding tank and absorption system, if any.

ROSEWOOD RESOURCES, INC.

LOCATION LAYOUT FOR

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL



SCALE: 1" = 50'
DATE: 03-12-98
Drawn By: D.R.B.

C-1.8'
El. 33.5'

C-1.2'
El. 32.9'

Proposed Access Road

F-5.3'
El. 26.4'

Sta. 3+25

Round Corners as Needed

Approx. Toe of Fill Slope

Approx. Top of Cut Slope

DATA

175'

CATWALK

PIPE RACKS

Topsoil Stockpile

El. 35.5'
C-3.8'

FLARE PIT

El. 36.6'
C-14.9'
(btm. pit)

C-2.4'
El. 34.1'

50'

30'

RIG

DOG HOUSE

35'

120'

Sta. 1+50

F-2.4'
El. 29.3'

MUD TANKS

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRAILER

TOILET

FUEL

STORAGE TANK

TRASH

150'

Sta. 0+10

Sta. 0+00

Reserve Pit Backfill & Spoils Stockpile

10' WIDE BENCH

180'

RESERVE PITS
(10' Deep)

Pit Capacity With 2' of Freeboard is 9,710 Bbls. ±

Slope = 1:1

El. 31.8'
C-10.1'
(btm. pit)

F-1.0'
El. 30.7'

F-2.1'
El. 29.6'

F-2.6'
El. 29.1'

REGISTERED LAND SURVEYOR
STATE OF UTAH

Elev. Ungraded Ground at Location Stake = 6234.1'

Elev. Graded Ground at Location Stake = 6231.7'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/17/98

API NO. ASSIGNED: 43-047-33132

WELL NAME: ROSEWOOD FED 5-6
OPERATOR: ROSEWOOD RESOURCES INC (N7510)
CONTACT: Lisa Smith (303)452-8888

PROPOSED LOCATION:
SENW 05 - T12S - R22E
SURFACE: 1946-FNL-1936-FWL
BOTTOM: 1946-FNL-1936-FWL
UINTAH COUNTY
BUCK CANYON FIELD (565)

LEASE TYPE: FED
LEASE NUMBER: UTU-73019
SURFACE OWNER: Federal

PROPOSED FORMATION: MVRD

INSPECT LOCATION BY: / /		
TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

✓ Plat
✓ Bond: Federal [✓] State [] Fee []
(No. MT-0627)
N Potash (Y/N)
N Oil Shale (Y/N) *190-5(B)
✓ Water Permit
(No. New Water Well or Bitter Creek)
N RDCC Review (Y/N)
(Date:)

N/A St/Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3. Unit ___

✓ R649-3-2. General

___ R649-3-3. Exception

___ Drilling Unit
Board Cause No: ___
Date: ___

COMMENTS: ___

STIPULATIONS: (1) FEDERAL APPROVAL

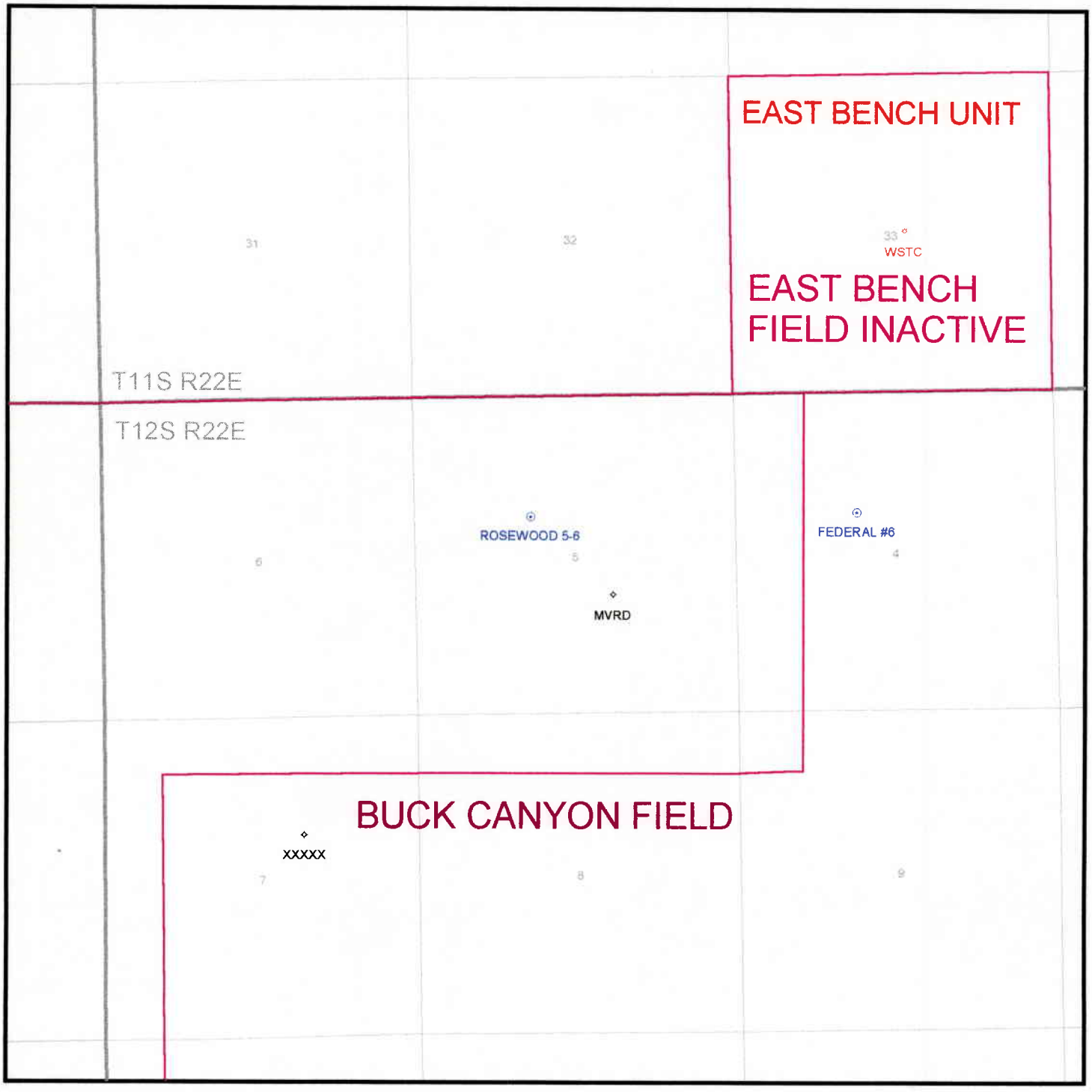
DIVISION OF OIL, GAS & MINING

OPERATOR: ROSEWOOD RESOURCES (N7510)

FIELD: BUCK CANYON (565)

SEC. 5, TWP 12S , RNG 22E

COUNTY: UINTAH UAC: R649-3-2 STATEWIDE



DATE PREPARED:
23-JUNE-1998

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

June 25, 1998

Rosewood Resources, Inc.
P.O. Box 1668
Vernal, Utah 84078

Re: Rosewood Federal 5-6 Well, 1946' FNL, 1936' FWL, SE NW, Sec. 5, T. 12 S., R. 22 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33132.

Sincerely,

for John R. Baza
Associate Director

lwp
Enclosures
cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Rosewood Resources, Inc.

Well Name & Number: Rosewood Federal 5-6

API Number: 43-047-33132

Lease: UTU-73019

Location: SE NW **Sec.** 5 **T.** 12 S. **R.** 22 E.

Conditions of Approval

1. General
   Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements
   Notify the Division within 24 hours prior to spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

   Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements
   All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supercede the required federal approval which must be obtained prior to drilling.

FORM 3160-3
(December 1990)

SUBMIT IN TRIPLICATE* (Other instructions on reverse)

Form approved.
Budget Bureau No. 1004-0136
Expires December 31, 1991

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: UTU-73019

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ]

CONFIDENTIAL

7. UNIT AGREEMENT NAME: N/A

b. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] OTHER — SINGLE ZONE [X] MULTIPLE ZONE [ ]

8. FARM OR LEASE NAME, WELL NO.: Rosewood Federal

2. NAME OF OPERATOR: Rosewood Resources, Inc. — 435/789-0414 — P. O. Box 1668, Vernal, UT 84078

9. API WELL NO.: #5-6

3. ADDRESS AND TELEPHONE NO.: PERMITCO INC. — 303/452-8888 — 13585 Jackson Drive, Denver, CO 80241

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At Surface: 1946' FNL and 1936' FWL
At proposed prod. zone: SE NW Section 5, T12S - R22E

RECEIVED AUG 06 1998 DIV. OF OIL, GAS & MINING

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Section 5, T12S - R22E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 33 miles south of Ouray, Utah

12. COUNTY OR PARISH: Uintah — 13. STATE: Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	16. NO. OF ACRES IN LEASE	17. NO. OF ACRES ASSIGNED TO THIS WELL
1936'	2159.59 Acres	40 Acres
18. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	**19. PROPOSED DEPTH**	**20. ROTARY OR CABLE TOOLS**
None	6,200'	Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 6,234' ungraded

22. APPROX. DATE WORK WILL START*: August 10, 1998

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	500'	350 sx - circulate to surface
7-7/8"	4-1/2"	11.6#	6,200'	700 sx - stage tool @ 3,000'

Rosewood Resources, Inc. proposes to drill a well to 6,200' to test the Wasatch and Mesa Verde Formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached. CONFIDENTIAL - TIGHT HOLE

Please be advised that Rosewood Resources, Inc. is considered to be the Operator of the above mentioned well. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond No. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED: Lisa L. Smith — TITLE: Authorized Agent for: Rosewood Resources, Inc. — DATE: 6/5/98

(This space for Federal or State office use)

PERMIT NO. [illegible] APPROVAL DATE

CONDITIONS OF APPROVAL ATTACHED

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: [signature] — TITLE: Assistant Field Manager Mineral Resources — DATE: 7/31/98

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DOGM

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Rosewood Resources, Inc.

Well Name & Number: Rosewood Federal 5-6

API Number: 43-047-33132

Lease Number: U - 73019

Location: SENW Sec. 05 T.12S R. 22E

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale zone, identified at 1,233 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to $10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL

-The access road will be crowned at between 2 to 3%. When snow is removed from the road during the winter months, the snow will be pushed outside of the burrow ditches and the turn outs shall be kept clear so that when the snow melts the water will be channeled away from the road.

-The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix provided in the APD under section 10 of the surface use plan shall used instead of the straight fourwing saltbush application mentioned in the APD. All poundages are in Pure Live Seed.

-Once the reserve pit is dry, it will be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

-A pile of subsoil which can be used to construct dike shall be left near where the access road enters the location.

-A right of way will be necessary for the construction of the pipeline.

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU- 73019

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
N/A

SUBMIT IN TRIPLICATE

1. Type of Well
[ ] Oil Well [X] Gas Well [ ] Other

RECEIVED
AUG 10 1998
DIV. OF OIL, GAS & MINING

8. Well Name and No.
ROSEWOOD FEDERAL #5-6

9. API Well No.
43-047-33132

2. Name of Operator
ROSEWOOD RESOURCES, INC.

10. Field and Pool, or Exploratory Area
WILDCAT

3. Address and Telephone No.
P.O. BOX 1668, VERNAL, UTAH 435-789-0414

11. County or Parish, State
UINTAH COUNTY, UTAH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1946' FNL AND 1936' FWL
SE/NW SECTION 5, T12S, R22E

CONFIDENTIAL

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
[X] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[ ] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other ADDENDUM TO APD	[ ] Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

IF WELL PROVES COMMERCIAL. OPERATOR PROPOSES TO INSTALL ON SURFACE A 4" NOM., SCH. 40, BARE STEEL, WELDED GAS SALES PIPELINE. LATERAL LINE WILL TIE INTO EXISTING PIPELINE CURRENTLY OPERATED BY SNYDER OIL COMPANY OR WOULD RUN PARALLEL TO EXISTING LINE. PIPELINE ROUTE IS SHOWN ON MAP "C" ATTACHED. LINE WILL BE 2350' IN LENGTH. PIPELINE WILL RUN PARALLEL WITH ROAD FROM WELLSITE TO TIE-IN & 20' WIDTH WILL BE REQUIRED FOR CONSTRUCTION. ALL MATERIALS WILL BE STOCKPILED AT WELLSITE. PIPE WILL BE WELDED AND THEN PULLED VIA DOZER IN EASE OF INSTALLATION AND TO MINIMIZE SURFACE DISTURBANCE. AN ESTIMATED 1.2 ACRES WOULD BE INVOLVED DURING CONSTRUCTION. ANTICIPATED MAXIMUM PRESSURE 250#. ANTICIPATED WORKING PRESSURE 150#. VALVES WILL BE INSTALLED DOWNSTREAM FROM METER RUN AND AT TIE-IN POINT. TRENCHING WILL BE LIMITED TO WELLSITE & ROAD X-INGS.

COPY SENT TO OPERATOR
Date: 8.20.98
Initials: DK

COPIES: ORIG. & 2-BLM; DIV. OG&M; JMCQUILLEN- DALLAS; BWASHINGTON- DALLAS

14. I hereby certify that the foregoing is true and correct

Signed [signature] Title DRILLING SUPT. Date 08/06/98

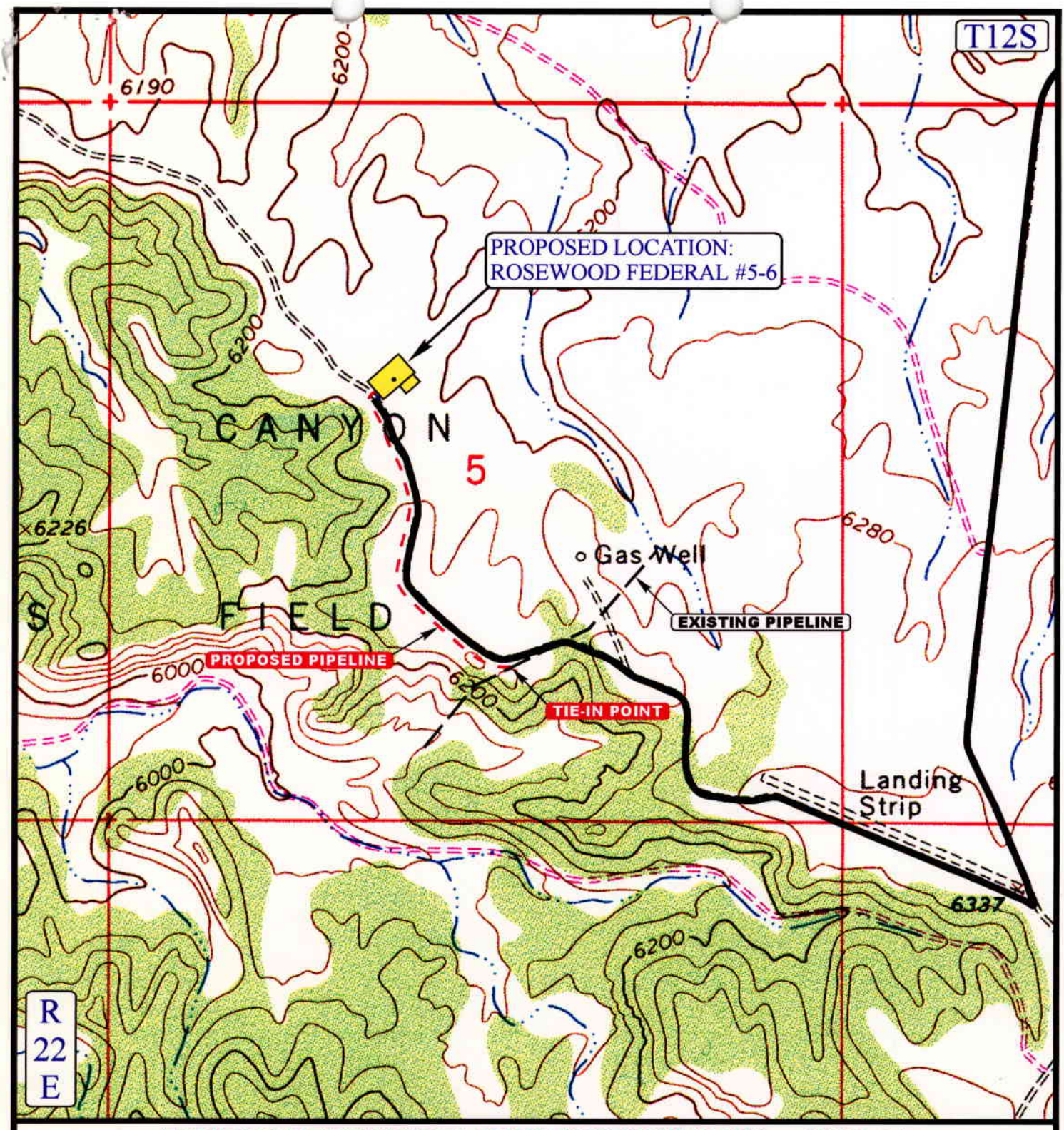
(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.



APPROXIMATE TOTAL PIPELINE DISTANCE = 2350' +/-

LEGEND:

EXISTING PIPELINE

PROPOSED PIPELINE

PROPOSED ACCESS

N

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #5-6
SECTION 5, T12S, R22E, S.L.B.&M.
1946' FNL 1936' FWL

UELS

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	3 MONTH	25 DAY	98 YEAR	C TOPO
SCALE: 1" = 1000'	DRAWN BY: J.L.G.	REVISED: 7-31-98		

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR ROSEWOOD RESOURCES, INC.

ADDRESS P.O. BOX 1668
VERNAL, UT 84078

OPERATOR ACCT. NO. N7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE
A	99999	12450	4304733132	Rosewood Federal #5-6	SENW	5	12S	22E	Uintah	8/6/98	8/6/98
WELL 1 COMMENTS: CONFIDENTIAL											
A	99999	12451	4304733131	Rosewood Federal #14-6	SENW	14	12S	22E	Uintah	8/17/98	8/17/98
WELL 2 COMMENTS: CONFIDENTIAL											
A	99999	12452	4304733144	Rosewood Federal #19-11	NESW	19	12S	22E	Uintah	8/19/98	8/19/98
WELL 3 COMMENTS: CONFIDENTIAL											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Signature Lucy Nemec

Admin. Assistant
Title

Date

Phone No. (435) 789-0414

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-73019

6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation
NA

1. Type of Well

[ ] Oil Well [X] Gas Well [ ] Other

CONFIDENTIAL

8. Well Name and No.
ROSEWOOD FEDERAL #5-6

2. Name of Operator
ROSEWOOD RESOURCES, INC.

9. API Well No.
43-047-33132

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

10. Field and Pool, or Exploratory Area
WILDCAT

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1946' FNL, 1936' FWL SENW SECTION 5, T12S R22E S.L.B. & M.

11. County or Parish, State
UINTAH CO., UTAH

12. **CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION	
[ ] Notice of Intent	[ ] Abandonment	[ ] Change of Plans
[X] Subsequent Report	[ ] Recompletion	[ ] New Construction
[ ] Final Abandonment Notice	[ ] Plugging Back	[ ] Non-Routine Fracturing
	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other Spud	[ ] Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Operator reports the above referenced well was spud on 8/6/98 @ 10:00 p.m. by Bill Jr's Rathole Service.
(See attached report for setting of surface casing.)

RECEIVED
AUG 31 1998
DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed Lucy Nemec Title Administrative Assistant Date 08/26/98

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States andy false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

***See Instructions on Reverse Side**

ROSEWOOD RESOURCES, INC. — DAILY DRILLING REPORT

LEASE: **ROSEWOOD FEDERAL** DATE: **8-9-98**
WELL: **#5-6**
RIG: **Bill Jrs Rathole**
PRESENT OPERATION: **WO Rotary Tools**

CURRENT DEPTH 505'
PROPOSED TD 6200'
FOOTAGE PAST 24 HRS
ENGINEER D.WIDNER
CONSULTANT C.EMERSON

FROM	TO	ACTIVITY PAST 24 HRS:
		8-6-98 MIRU Bill Jrs Rathole Service. Spud @ 2200hrs 8-6-98. Drilling 12 1/4" hole. SDFN
		8-7-98 Drill 12 1/4" hole to 505'. Run Surface Casing as follows: 1- 9 5/8" Guide Shoe, Shoe Jt w/ Insert Float,
		11 Joints 9 5/8" 36.00# J-55 ST&C 8rd Casing w/ 6 Centralizes on every other Collar. Total 12 Joints
		Set @ 495.85' GL w/ Baffle @ 452.50' GL. RD Bill Jrs.
		8-8-98 RU Howco Cement Surface Casing as Follows: Pump 20bbl Gel Sweep, 20bbl H2O, 300 sks Cls"G"
		Cement w/2% CaCl & 1/4#/sk FloCele. Displace w/ 36.5bbl H2O.Bump Plug to 500psi @ 1500hrs.
		Float Didn't Hold. Had Full Returns Throughout Job. Circulated Approx 30bbl Cement to Surface. Cement
		Fell back 3 1/2' in 1hr. RD Howco. WO Rotary Tools.

MUD PROPERTIES:

WT		% OIL		Ca+	
VIS		%SAND		cake	
WL		%SOLID		pH	
HTHP		ALK			
PV		Cl-			
YP					

DAILY MUD COST
CUM. MUD COST

PUMP DATA:

	1	2
MAKE	EMSCO	GarDenv
MODEL	D-500	PZ-8
LINER	5 1/2	6 1/2
SPM		
PSI		

HYDRAULICS:

WOB	
RPM	
GPM	

BIT RECORD:

Bit #	1	2
Ser#		
Size		
Make		
Type		
Jets		
In @		
Out @		
Feet		
Hrs		
Ft/Hr		
CUM		
Grade		

SURVEY DATA:

DEPTH	DEGREES

DAILY COSTS:

FOOTAGE	14200
DAYWORK	
LOCATION	15500
MUD	
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	
CEMENTING	5485
FISHING	
WATER	350
WELLHEAD	
CSG CREW	
RENTALS	
CASING	6400
SUPERVISION	
CASING HEAD	
TOTAL DAILY	41935
COST FORWARD	
CUM.TO DATE	41935

ADDL COMMENTS:
WASATCH TOP:
MESA VERDE TOP:
SHOW:

FORM 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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6. If Indian, Allottee or Tribe Name
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7. If Unit or CA, Agreement Designation
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SUBMIT IN TRIPLICATE

1. Type of Well

[ ] Oil Well [X] Gas Well [ ] Other

8. Well Name and No.
ROSEWOOD FEDERAL #5-6

9. API Well No.
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2. Name of Operator
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3. Address and Telephone No.
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4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
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	[ ] Casing Repair	[ ] Water Shut-Off
	[ ] Altering Casing	[ ] Conversion to Injection
	[X] Other WEEKLY	[ ] Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

WEEKLY STATUS - RU CHANDLER RIG #1 8/17/98; DRILLED TO TD @ 6250'; RAN AND CEMENTED 4-1/2" CSG. CHANDLER RIG #1 RELEASED @ 12:00 A.M. 8/25/98. SEE ATTACHED RIG REPORTS.

CURRENT STATUS - WAITING ON COMPLETION RIG.

CONFIDENTIAL

RECEIVED
AUG 31 1998
DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed Lucy Nemec Title Administrative Assistant Date 08/26/98

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States andy false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

***See Instructions on Reverse Side**

ROSEWOOD RESOURCES,INC.

DAILY DRILLING REPORT

LEASE: **ROSEWOOD FEDERAL** DATE: **8-17-98**
WELL: **# 5-6**
RIG: **Chandler Drilling # 1**
PRESENT OPERATION: **Drilling**

CURRENT DEPTH	840'
PROPOSED TD	6200'
FOOTAGE PAST 24 HRS	335'
ENGINEER	D.WIDNER
CONSULTANT	C.EMERSON

FROM	TO	ACTIVITY PAST 24 HRS:
0700	1900	MIRU Chandler Rig #1. Notify BLM & Utah O&G @ 0800hrs 8-15-98
1900	2230	RU Single Jack Testers. Pressure Test Upper & Lower Kelly Valves, TIW Valve, Kill Line & Valve, Choke Line & Valve,
		Choke Manifold & Valves, Blind Rams and Pipe Rams ALL to 3000psi. Pressure Test Annular BOP and Surface Csg
		to 1500 psi. BLM Notified of Test but Declined to Witness. RD Single Jack.
2230	2300	Install Wear Bushing
2300	2400	PU BHA #1. Tag Cement @ 457'.
2400	0100	Drillout Baffle & Shoe. Survey 3/4deg @ 495'
0100	0700	Drilling New Fm 511'-840'

MUD PROPERTIES:

WT	H20	% OIL		Ca+	40
VIS		%SAND		cake	
WL		%SOLID		pH	
HTHP		ALK	.1	DAILY MUD COST	
PV		Cl-	350	CUM. MUD COST	
YP					

PUMP DATA:

	1	2
MAKE	EMSCO	IDECO
MODEL	D-500	550
LINER	5 1/2	6
SPM		60
PSI		360

HYDRAULICS:

WOB	45
RPM	60
GPM	360

BIT RECORD:

Bit #	1	2
Ser#	D83886	
Size	7 7/8"	
Make	RTC	
Type	HP53A	
Jets	3/14s	
In @	511'	
Out @		
Feet	329'	
Hrs	6	
Ft/Hr	54.8	
CUM		
Grade		

TELEDRIFT SURVEY:

DEPTH	DEGREES	
495'	3/4	WL

DAILY COSTS:

FOOTAGE	4807
DAYWORK	
LOCATION	4500
MUD	
RIG MOVE	11000
SURVEYOR	
LOGGING	
MUD LOG	550
CEMENTING	
FISHING	
WATER	4800
WELLHEAD	
CSG CREW	
RENTALS	2950
CASING	
SUPERVISION	500
CASING HEAD	2200
TOTAL DAILY	31307
COST FORWARD	41935
CUM.TO DATE	73242

CMNTS: BHA#1:Bit,MM,FS,TD,XO,24-DC,XO=759.32'
WASATCH TOP:
MESA VERDE TOP:
SHOW:

ROSEWOOD RESOURCES,INC.

DAILY DRILLING REPORT

LEASE: **ROSEWOOD FEDERAL** DATE: **8-18-98**

WELL: **# 5-6**

RIG: **Chandler Drilling # 1**

PRESENT OPERATION: **Drilling**

CURRENT DEPTH	3204'
PROPOSED TD	6200'
FOOTAGE PAST 24 HRS	2364'
ENGINEER	D.WIDNER
CONSULTANT	C.EMERSON

FROM	TO	ACTIVITY PAST 24 HRS:
0700	1300	Drilling 840'-1516'
1300	1330	Survey 1deg @ 1506'
1330	2330	Drilling 1516'-2569'
2330	2400	Survey 1/2deg @ 2537'
2400	0700	Drilling 2569'-3204'

MUD PROPERTIES:

WT	8.6	% OIL	0	Ca+	40
VIS	34	%SAND	TR	cake	2/32
WL	14.4	%SOLID	3.5	pH	10.5
HTHP	2/4	ALK	.7	DAILY MUD COST	2795
PV	6	Cl-	400	CUM. MUD COST	2795
YP	4				

PUMP DATA:

	1	2
MAKE	EMSCO	IDECO
MODEL	D-500	550
LINER	5 1/2	6
SPM		60
PSI		1400

HYDRAULICS:

WOB	45
RPM	60
GPM	360

BIT RECORD:

Bit #	1	2
Ser#	D83886	
Size	7 7/8"	
Make	RTC	
Type	HP53A	
Jets	3/14s	
In @	511'	
Out @		
Feet	2693'	
Hrs	29	
Ft/Hr	92.9	
CUM		
Grade		

TELEDRIFT SURVEY:

DEPTH	DEGREES	
495'	3/4	WL
1009'	1/2	
1506'	1	
2039'	1/2	
2537'	1/2	
3034'	1/2	

DAILY COSTS:

FOOTAGE	33923
DAYWORK	
LOCATION	
MUD	2795
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	550
CEMENTING	
FISHING	
WATER	200
WELLHEAD	
CSG CREW	
RENTALS	500
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	38468
COST FORWARD	73242
CUM.TO DATE	111710

CMNTS: BHA#1:Bit,MM,FS,TD,XO,24-DC,XO=759.32'

WASATCH TOP: Mud Up @ 3000'

MESA VERDE TOP:

SHOW:

# 1 942'-948' 115u	#7 1440'-1512' 144u
# 2 956'-993' 226u	#8 1515'-1534' 180u
# 3 1024'-1034' 121u	#9 1712'-1721' 183u
# 4 1374'-1384' 109u	#10 3009'-3019' 109u
# 5 1403'-1419' 212u	#11 3017'-3053' 406u
# 6 1423'-1437' 763u	

ROSEWOOD RESOURCES,INC.

DAILY DRILLING REPORT

LEASE: **ROSEWOOD FEDERAL** DATE: **8-23-98**
WELL: **# 5-6**
RIG: **Chandler Drilling # 1**
PRESENT OPERATION: **Circ & Cond Hole**

CURRENT DEPTH	6250'
PROPOSED TD	6200'
FOOTAGE PAST 24 HRS	336'
ENGINEER	D.WIDNER
CONSULTANT	C.EMERSON

FROM	TO	ACTIVITY PAST 24 HRS:
0700	1100	Trip In Hole
1100	1130	Wash 15' to bottom.
1130	1200	Drilling 5914'-5917'
1200	1230	Service Rig. BOP Drill. Safety Meeting.
1230	0500	Drilling 5917'-6250. Lost 150 bbl @ 6196'. Regain w/ LCM Sweeps. TD @ 0500 8-23-98
0500	0700	Circulate & Condition Hole. Rebuild Volume.

MUD PROPERTIES:

WT	9.8	% OIL	0	Ca+	40
VIS	50	%SAND	1	cake	2/32
WL	8.5	%SOLID	10.6	pH	9.0
HTHP	6/12	ALK	.4	DAILY MUD COST	6176
PV	22	Cl-	400	CUM. MUD COST	18988
YP	16				

PUMP DATA:

	1	2
MAKE	EMSCO	IDECO
MODEL	D-500	550
LINER	5 1/2	6
SPM		60
PSI		1550

HYDRAULICS:

WOB	40/45
RPM	50/60
GPM	360

BIT RECORD:

Bit #	2	3RR
Ser#	JQ8108	083886
Size	7 7/8"	7 7/8"
Make	STC	RTC
Type	MR316	HP53A
Jets	6/14,3-12	3/18
In @	3896'	5914'
Out @	5914'	6250'
Feet	2016'	336'
Hrs	62	17
Ft/Hr	32.5	19.8
CUM		
Grade		

TELEDRIFT SURVEY:

DEPTH	DEGREES	
495'	3/4	WL
1009'	1/2	
1506'	1	
2039'	1/2	
2537'	1/2	
3034'	1/2	
3547'	1	
3896'	2 1/2	TD&WL
4207'	2	
4707'	3	
5175'	3	
5643'	3	
5914'	3 1/2	WL

DAILY COSTS:

FOOTAGE	4821
DAYWORK	538
LOCATION	
MUD	6176
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	550
CEMENTING	
FISHING	
WATER	170
WELLHEAD	
CSG CREW	
RENTALS	500
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	13255
COST FORWARD	167816
CUM.TO DATE	181071

CMNTS: BHA#1:Bit,MM,FS,TD,XO,24-DC,XO=759.32'
WASATCH TOP: 3633'
MESA VERDE TOP: 5700'
SHOW: #27 6146'-6175' 287u
#28 6203'-6206' 119u
#29 6241'-6344' 110u

ROSEWOOD RESOURCES,INC.

DAILY DRILLING REPORT

LEASE: **ROSEWOOD FEDERAL** DATE: **8-24-98**
WELL: **# 5-6**
RIG: **Chandler Drilling # 1**
PRESENT OPERATION: **Laying Down Drillpipe**

CURRENT DEPTH 6250'
PROPOSED TD 6200'
FOOTAGE PAST 24 HRS
ENGINEER D.WIDNER
CONSULTANT C.EMERSON

FROM	TO	ACTIVITY PAST 24 HRS:
0700	1000	Short Trip 40 Stands To Above 2650'
1000	1100	Circulate & Condition Hole f/ Logs.
1100	1430	TOOH f/ Logs. DP Tally- 6248'
1430	0130	RU Schlumberger. Run Platform Express Suite from Log TD 6242' to Base of Surface Casing. Tool failure required
		Rerun of AIT. RIH w/ Sidewall Core Tool. Corrolate to 1st Log Pass & Select Following Cores: 6184',6164',6150',6000',
		5947',5928',5912',5881',5870',5857',5852',5818',5795',5495',5403',5290',5273',5264',5238',4436',4372',4146',4140',4075'.
		Total 24 Cores. Had recovery on all but Selection @ 6184' which had broken Core Barrel. RD Schlumberger.
0130	0400	TIH to TD
0400	0500	Circulate & Condition Hole. Trip Gas 75u.
0500	0700	LDDP

MUD PROPERTIES:

WT	9.9	% OIL	0	Ca+	40
VIS	54	%SAND	1	cake	2/32
WL	8.2	%SOLID	11.3	pH	9.5
HTHP	7/14	ALK	.4	DAILY MUD COST	1550
PV	22	Cl-	400	CUM. MUD COST	20538
YP	18				

PUMP DATA:

	1	2
MAKE	EMSCO	IDECO
MODEL	D-500	550
LINER	5 1/2	6
SPM		
PSI		

HYDRAULICS:

WOB	
RPM	
GPM	

BIT RECORD:

Bit #	2	3RR
Ser#	JQ8108	083886
Size	7 7/8"	7 7/8"
Make	STC	RTC
Type	MR316	HP53A
Jets	6/14,3-12	3/18
In @	3898'	5914'
Out @	5914'	6250'
Feet	2016'	336'
Hrs	62	17
Ft/Hr	32.5	19.8
CUM		
Grade		

TELEDRIFT SURVEY:

DEPTH	DEGREES	
1009'	1/2	
1506'	1	
2039'	1/2	
2537'	1/2	
3034'	1/2	
3547'	1	
3896'	2 1/2	TD&WL
4207'	2	
4707'	3	
5175'	3	
5643'	3	
5914'	3 1/2	WL
6250'	1 3/4	WL

DAILY COSTS:

FOOTAGE	
DAYWORK	6450
LOCATION	
MUD	1550
RIG MOVE	
SURVEYOR	
LOGGING	19674
MUD LOG	550
CEMENTING	
FISHING	
WATER	200
WELLHEAD	
CSG CREW	
RENTALS	500
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	29424
COST FORWARD	181071
CUM.TO DATE	210495

ROSEWOOD RESOURCES,INC.

DAILY DRILLING REPORT

LEASE: **ROSEWOOD FEDERAL** DATE: **8-25-98**
WELL: **# 5-6**
RIG: **Chandler Drilling # 1**
PRESENT OPERATION: **Wait On Completion**

CURRENT DEPTH	6250'
PROPOSED TD	6200'
FOOTAGE PAST 24 HRS	
ENGINEER	D.WIDNER
CONSULTANT	C.EMERSON

FROM	TO	ACTIVITY PAST 24 HRS:
0700	1000	LDDP & DC
1000	1400	RU & Run Prod Casing as follows: 1-4 1/2" Float Shoe(.78')(ThdLokd),1-4 1/2" Shoe Jt(44.32')(Centralize Mid Jt),
		1- 4 1/2" Float Collar(.61')(ThdLokd), 59- Jts 4 1/2" 11.6# N-80 LT&C 8rd Casing(2601.84')(w/ 29 Centralizers on every
		other Collar to DV), 1 -4 1/2" Stage Cementing Collar(2.08')(ThdLokd), 83 -Jts 4 1/2" 11.6# N-80 LT&C 8rd Casing
		(3601.55')(w/5 Centralizers Everyother Jt above DV to 3200'), Above KB(3.00') Tag @ 6235'. Wash Down to 6249'
		Set Casing @ 6248.18'KB. Float Collar @ 6202.47'. Stage Collar @ 3598.55'
1400	1430	RD T&M. Circulate. RU Howco.
1430	1500	Cement Stage #1: Pump 10bblH2O, 10bbl SuperFlush,10bblH2O, 350 sks Class"G" w/ .3%CFR-3, 1/4#/skFloCele,
		.5% Halad-9, 2%Gel, 2%MicroBond, 2%SuperCBL, Displace w96bbl H20, Reciprocate Casing w/Good Returns during
		Job. Bump Plug @ 2200psi @ 1500hrs. Float Held OK.
1500	1900	Drop Plug Open Stage Tool & Circulate.
1900	1930	Cement Stage #2: Pump 10bblH2O,Lead w/400 sks HalcoLite w/1% Econolite,1/4#/sk FloCele,.2%MicroBond,3%Salt
		Tail w/50sk Cls"G" w/ Adds as in Stg#1. Displace w/59bbl H2O. Bump Plug @ 1930hrs 2900psi. DV Held OK.
		Good Returns During Job.Did Not Circulate Cement to Surface. RD Howco.
1930	2000	ND BOP. Set Slips w/ 45K# on Hanger. Cutoff.
2000	2400	Jet & Clean Pits. Chandler Released @ 2400 Hrs 8-25-98

MUD PROPERTIES:

WT	9.9	% OIL	0	Ca+	40
VIS	54	%SAND	1	cake	2/32
WL	8.2	%SOLID	11.3	pH	9.5
HTHP	7/14	ALK	.4	DAILY MUD COST	
PV	22	Cl-	400	CUM. MUD COST	20538
YP	18				

PUMP DATA:

	1	2
MAKE	EMSCO	IDECO
MODEL	D-500	550
LINER	5 1/2	6
SPM		
PSI		

HYDRAULICS:

WOB	
RPM	
GPM	

BIT RECORD:

Bit #	2	3RR
Ser#	JQ8108	083886
Size	7 7/8"	7 7/8"
Make	STC	RTC
Type	MR316	HP53A
Jets	6/14,3-12	3/18
In @	3898'	5914'
Out @	5914'	6250'
Feet	2016'	336'
Hrs	62	17
Ft/Hr	32.5	19.8
CUM		
Grade		

TELEDRIFT SURVEY:

DEPTH	DEGREES	
1009'	1/2	
1506'	1	
2039'	1/2	
2537'	1/2	
3034'	1/2	
3547'	1	
3896'	2 1/2	TD&WL
4207'	2	
4707'	3	
5175'	3	
5643'	3	
5914'	3 1/2	WL
6250'	1 3/4	WL

DAILY COSTS:

FOOTAGE	
DAYWORK	4450
LOCATION	
MUD	
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	
CEMENTING	16975
DC INSP	850
WATER	
FLOAT EQUIP	3850
CSG CREW	8452
RENTALS	250
CASING	36200
SUPERVISION	500
CASING HGR	1450
TOTAL DAILY	72977
COST FORWARD	210495
CUM.TO DATE	283472

1-4 1/2 FloatShoe(ThdLokd)	.78'
1-4 1/2ShoeJoint(Centralized)	44.32'
1-4 1/2FloatCollar(ThdLokd)	.61'
59-Jts 4 1/2 11.6# N-80(w/29 Centralizers	2601.84'
1-4 1/2StageCollar(ThdLokd)	2.08'
83-Jts 4 1/2 11.6# N-80(w/5 Centralizers)	3601.55'
Above KB Meas	-3.00'
Total 143 Jts Set @	6248.18' KB

TerraTek

TerraTek Inc.

TELEFAX TRANSMISSION

420 Wakara Way
Salt Lake City, Utah 84108

TELEFAX NO. (801) 584-2432
CONFIRMATION NO. (801) 584-2480

DATE:	September 24, 1998
TO:	Mr. Danny Widner
LOCATION:	Rosewood Resources, Inc.
TO TELEFAX NO.:	(435) 789-0497
FROM:	Tania Self
NUMBER OF PAGES:	4 (including cover)

COMMENTS:

Included is the lithologies for Rosewood Hanging Rock Federal #15-7 and Rosewood Federal #5-6. Also included is an abbreviation key, to the lithologies. Sorry for the delay.

Table 4. Lithological Descriptions

Description Scheme for Carbonate Sedimentary Rocks:

Rock Type, Color, Grain Size or Crystal Size, Porosity Type, Accessories

Description Scheme for Clastic Sedimentary Rocks:

Rock Type, Color, Grain Size, Cement, Structures and Accessories

Key to Abbreviations:

aff	- anhydrite filled fracture	glauc	- glauconitic	ptg	- parting(s)
alt	- altered	gn	- green	purp	- purple
anhy	- anhydrite(ic)	gr	- grain(ed)	pyr	- pyrite(ic)
arg	- argillaceous	grnl	- granule	qff	- quartz filled fracture
bdd	- bedded	gy	- gray	qtz	- quartz
bent	- bentonite	gyp	- gypsum(iferous)	red	- red
bf	- buff	gypff	- gypsum filled fracture	sa	- salty
biot	- bioturbated	hem	- hematite(ic)	sdy	- sandy
bit	- bitumen	if	- incipient fracture	sh	- shale
bl	- blue(ish)	incl	- inclusion	shy	- shaley
blk	- black	intprt	- interparticle	sid	- siderite
bnd	- banded	intrprt	- intraparticle	sil	- silica(eous)
brec	- breccia(ted)	intxl	- intercrystalline	sl/	- slightly
brn	- brown	lam	- laminated	sltst	- siltstone
bur	- burrowed	lav	- lavender	slty	- silty
c	- coarse	lig	- lignite(ic)	ss	- sandstone
calc	- calcite(areous)	ls	- limestone	stn	- stain(ed)(ing)
carb	- carbonaceous	lt	- light	str	- streak
cff	- calcite filled fracture	m	- medium	styl	- stylolite
cgl	- conglomerate	mar	- maroon	suc	- sucrosic
chky	- chalky	mas	- massive	tan	- tan
chlor	- chlorite	mdy	- muddy	v/	- very
cht	- chert	mic	- micro	vc	- very coarse
chty	- cherty	mica	- micaceous	vf	- very fine
clst	- clast	mol	- moldic	vgy	- vuggy
cly	- clay(ey)	mot	- mottled	wh	- white
clyst	- claystone	ms	- mudstone	wthrd	- weathered
cob	- cobble	mtx	- matrix	wvy	- wavy
dism	- disseminated	nod	- nodule(s)	yel	- yellow
dk	- dark	o	- oil	xl	- crystalline
dff	- dolomite filled fracture	of	- open fracture		
dol	- dolomite(ic)	ool	- oolitic		
f	- fine	org	- organic		
fen	- fenestral	orng	- orange		
fis	- fissile	pbl	- pebble		
fos	- fossil(iferous)	pel	- peloids		
frac	- fracture	pff	- pyrite filled fracture		
fri	- friable	pis	- pisolitic		
gff	- gouge filled fracture	pk	- pink		
		pof	- partially open fracture		
		ppvgs	- pinpoint vugs		

TerraTek
University Research Park
420 Wakara Way • Salt Lake City, Utah 84108
Telephone (801) 584-2400
FAX (801) 584-2432

Rosewood Fed 5-6

Rosewood Resources Lithologies
TerraTek Project #6629

Depth	ID
6164"	2) Ss, wh, f gr, dol/cly*
6150"	3) Ss, wh, f gr, cly/qtz/dol, cht*
6000"	4) Ss, wh-lt bf/gy, f gr, cly/calc/dol/qtz, rpp*
5947"	5) Ss, wh, f-m gr, cly/calc/dol*
5928"	6) Ss, wh, f gr, cly/calc*
5912"	7) Ss, wh, f gr, calc/cly*
5881"	8) Ss, wh, f gr, cly/calc, pyr, glauc*
5870"	9) Ss, wh, f-m gr, cly/calc, glauc*
5857"	10) Ss, wh, f-m gr, cly/calc*
5852"	11) Sh/mst, m gy, sh/sdy, pyr, carb
5818"	12) Sh/mst, gy, shy, calc, pyr, slty
5795"	13) Ss, wh, f gr, calc/cly, pyr*
5495"	14) Sltst, gy, c slt, md/calc, carb
5403"	15) Sh, dk gy, shy, calc/cly
5290"	16) Sh, dk gy, shy, calc/cly
5273"	17) Ss, lt gy, f-m gr, qtz/calc/cly*
5264"	18) Ss, wh/lt gy, f-m gr, calc/cly/qtz, pyr, cht*
5238"	19) Ss, wh/lt gy, f-m gr, calc/qtz/cly, feld, cht, mica*
4436"	20) Ss, wh, f gr, calc/clyqtz, feld, cht*
4372"	21) Ss, wh, f-m gr, calc/cly, cht, chl, feld*
4146"	22) Ss, wh, f-m gr, qtz/calc/cly, cht, feld*
4140"	23) Ss, wh, f-m gr, qtz/calc/cly, feld, cht*
4075"	24) Ss, pk, f-m gr, qtz/calc/cly, feld, pyr, cht, glauc

* Contains white, pore-filling clay, likely illite and/or kaolinite.

Schlumberger

Sidewall Core Summary

Date	Engineer	Company	Field	Well	Run
23-AUG-19	A. WHITE/ E. SWITZER	ROSEWOOD RESOURCES, INC	WILDCAT	ROSEWOOD FED #	ONE

Bullet No.	Sample Depth (FT)	Req. Depth (FT)	Status	Tension (LB)
1	6184.0	6184.0	Empty	0.0
2	6164.0	6164.0	Recovered	0.0
3	6150.0	6150.0	Recovered	0.0
4	6000.0	6000.0	Recovered	0.0
5	5947.1	5947.0	Partial	0.0
6	5928.0	5928.0	Partial	0.0
7	5912.1	5912.0	Partial	0.0
8	5881.1	5881.0	Recovered	30.0
9	5870.1	5870.0	Recovered	5.0
10	5857.0	5857.0	Broken	0.0
11	5852.0	5852.0	Recovered	0.0
12	5818.0	5818.0	Partial	0.0
13	5795.1	5795.0	Partial	10.0
14	5495.0	5495.0	Partial	0.0
15	5403.0	5403.0	Recovered	5.0
16	5290.0	5290.0	Recovered	0.0
17	5273.0	5273.0	Recovered	10.0
18	5264.0	5264.0	Recovered	0.0
19	5238.1	5238.0	Partial	5.0
20	4436.1	4436.0	Recovered	0.0
21	4372.1	4372.0	Recovered	0.0
22	4146.0	4146.0	Recovered	10.0
23	4140.1	4140.0	Recovered	0.0
24	4075.0	4075.0	Recovered	10.0

% Recovered	Number Recovered	Number Empty
95	23	1

ROSEWOOD
RESOURCES

CONFIDENTIAL

January 10, 2000

Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, Utah 84078

State of Utah
Division of Oil, Gas & Mining
1594 W. north Temple, Ste. 1210
Box 145801
Salt Lake City, UT 84114-5801

RE: Rosewood Federal #5-6
SE/NW Section 5, T12S, R22E
Uintah County, Utah

Gentlemen:

Enclosed is the well completion report for the Rosewood Federal #5-6. At this time we are requesting that information filed on the well be placed on "Confidential Status".

Please do not hesitate to contact me if you require further information. I can be reached at 435-789-0414.

Sincerely,

Lucy Nemec
Administrative Assistant

Rosewood Resources, Inc.
265 East 100 South
PO Box 1668
Vernal, Utah 84078
435 789 0414
435 789 0479 (Fax)

FORM 3160-4
(July 1992)

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

5. LEASE DESIGNATION AND SERIAL NO.: UTU-73019

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

1a. TYPE OF WORK

1b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] DRY [ ] Other CONFIDENTIAL

NEW WELL [X] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

7. UNIT AGREEMENT NAME: N/A

8. FARM OR LEASE NAME, WELL NO.: ROSEWOOD FED. #5-6

2. NAME OF OPERATOR: ROSEWOOD RESOURCES, INC.

9. API WELL NO.: 43-047-33132

3. ADDRESS AND TELEPHONE NO.: P.O. BOX 1668, VERNAL, UT 84078 435-789-0414

10. FIELD AND POOL OR WILDCAT: WILDCAT

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.*)

At Surface: 1946' FNL 1936' FWL SE/NW SEC. 5, T12S, R22E.

At top prod. Interval reported below

At total depth

RECEIVED
JAN 12 2000
DIVISION OF OIL, GAS & MINING

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: SEC. 5, T12S, R22E

Block & Survey: S.L.B. & M

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
98P50486A	7/31/98	UINTAH	UTAH

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (Ready to prod.)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
8/6/98	8/23/98	12/3/99	6234' GR	6249' KB

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
6250' MD TVD	6202' TD TVD		---->	505' - 6250'	NA

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

MESA VERDE 5855' - 67'

25. WAS DIRECTIONAL SURVEY MADE: NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

MUD LOG; ML/GR; CNLD/GR; AI/LC/GR; CBL 9-4-98

27. WAS WELL CORED: NO

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8" J-55	36#	496'	12-1/4"	SURF- 300 SX CLASS "G" + ADD	
4-1/2" N-80	11.6#	6248'	7 7/8"	4570' - 1ST STAGE 350 SX CLASS "G" + ADD	
				410' - 2ND STAGE - 400 SKS HALCOLITE; TAIL	
		DV TOOL @ 3599'		W/50 SKS "G" + ADD	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	5801'	5790'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
5855' - 59' 5861' - 67'	0.37	40

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
CONFIDENTIAL PERIOD EXPIRED ON 01-03-2001	

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)	WELL STATUS (Producing or shut-in)
	FLOWING	WOPL

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL--BBLS.	GAS--MCF.	WATER--BBL.	GAS-OIL RATIO
12/2/99	1 HRS	16/64"	---->	0	59	0	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL-BBL.	GAS--MCF.	WATER--BBL.	OIL GRAVITY-API (CORR.)
1040#		---->	0	1420	0	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): SALES/FUEL

TEST WITNESSED BY: RANDY MILLER

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Lucy Nemec TITLE ADMINISTRATIVE ASISTANT DATE 1/10/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.

CONFIDENTIAL

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
WASATCH TOP	3633'	
MESA VERDE TOP	5700'	

COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____

8. WELL NAME and NUMBER:

2. NAME OF OPERATOR: MCELVAIN OIL & GAS PROPERTIES, INC.

9. API NUMBER:

3. ADDRESS OF OPERATOR: 1050 17th Street CITY Denver STATE CO ZIP 80265 PHONE NUMBER: (303) 893-0933

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 5/1/2002	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

McElvain Oil & Gas Properties, Inc. will take over as operator of the attached wells from Rosewood - effective 5/1/2002.

Bond # RLB0004154

Operator # N2100

RECEIVED
APR 29 2002
DIVISION OF
OIL, GAS AND MINING

Name Gary Tarabe Title Vice President Rosewood Resources, Inc

Signature Gary Tarabe Date 4/23/02

NAME (PLEASE PRINT) John D. Steuble TITLE Engineering Manager Mcelvain O & G Properties

SIGNATURE John D Steuble DATE 4/12/02

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

API #	FED #	POOL #	COUNTY	LEGAL	WELL NAME
43-047-32871	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E SESW	HANGING ROCK FED I # 1-14 WS
43-047-32855	UTU-57455	OIL SPRINGS	UINTAH	1 12S 23E NWNW	HANGING ROCK I # 1-4 WS
43-047-32679	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E SESE	HANGING ROCK FED I # 1-16
43-047-33098	UTU-57455	OIL SPRINGS	UNITAH	10 12S 23E NESW	HANGING ROCK I # 10-13 WS
43-047-32935	UTU-57455	OIL SPRINGS	UNITAH	11 12S 23E SENE	HANGING ROCK I # 11-8 (WSMVD)
43-047-32936	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWNE	HANGING ROCK I # 12-2
43-047-33096	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWSW	HANGING ROCK I # 12-12 WS
43-047-33101	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NESE	HANGING ROCK I # 12-9 WS
43-047-32748	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWNW	HANGING ROCK I # 12-4
43-047-33099	UTU-57455	OIL SPRINGS	UNITAH	15 12S 23 E SWNE	HANGING ROCK I # 15-7
43-047-33100	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E NWSE	HANGING ROCK F # 7-10
43-047-32937	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E SENE	HANGING ROCK F # 7-8
43-047-32751	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E SENW	HANGING ROCK F # 7-6
43-047-32872	UTU-70239	OIL SPRINGS	UNITAH	8 12S 24E NWNW	TUCKER FEDERAL F # 8-4
43-047-32993	UTU-70239	OIL SPRINGS	UNITAH	8 12S 24E NWNE	TUCKER FEDERAL F # 8-2
43-047-33132	UTU-73019	BUCK CANYON	UNITAH	5 12S 22E SENW	ROSEWOOD # 5-6
43-047-32604	UTU-66761	ASPHALT WASH	UNITAH	23 11S 24E SESE	THIMBLE ROCK FED # 23-15
43-047-32757	UTU-08424-A	OIL SPRINGS	UNITAH	6 12S 24E SWSE	TOBY FEDERAL F # 6-15
43-047-32840	UTU-65355	BUCK CANYON	UNITAH	19 11S 22E NESE	ROSEWOOD FED # 28-8
43-047-32603	UTU-66408	ROCK HOUSE	UNITAH	24 11S 23E SWSW	HANGING ROCK # 24-13
43-047-32750	UTU-75206	OIL SPRINGS	UNITAH	17 12S 24E NWNW	CENTER FORK FED # 17-4
43-047-33186	UTU-66409	ROCK HOUSE	UNITAH	22 11S 23E SESE	ROSEWOOD FED H # 22-16

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799
http://www.blm.gov/utah/vernal

Phone: (435) 781-4400
Fax: (435) 781-4410

IN REPLY REFER TO:
3162.3
UT08300

June 24, 2002

McElvain Oil & Gas Properties, Inc.
1050 17th Street, Suite 1800
Denver, Colorado 80265

Re: Well No. Rosewood Fed. 5-6
SENW, Sec. 5, T12S, R22E
Uintah County, Utah
Lease No. UTU-73019

Gentlemen:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, McElvain O&G Properties, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. UT1268, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Walker or Pat Sutton of this office at (435) 781-4400.

Sincerely,

Edwin I. Forsman
Petroleum Engineer

cc: UDOGM – Jim Thompson
Rosewood Resources
Morgan Expl. LLC
T K Production Co.
Harold B. Holden
DJ Investment Co. LTD

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. GLH
2. CDW
3. FILE

X Change of Operator (Well Sold) Designation of Agent

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective: **05-01-2002**

FROM: (Old Operator):	**TO:** (New Operator):
ROSEWOOD RESOURCES INC	MCELVAIN OIL & GAS PROPERTIES INC
Address: P O BOX 1668	Address: 1050 17TH STREET, STE 1800
VERNAL, UT 84078	DENVER, CO 80265-1801
Phone: 1-(435)-789-0414	Phone: 1-(303)-893-0933
Account No. N7510	Account No. N2100

CA No. **Unit:**

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
ROSEWOOD FEDERAL 28-8	19-11S-22E	43-047-32840	12442	FEDERAL	GW	P
ROSEWOOD FEDERAL H 22-16	22-11S-23E	43-047-33186	12558	FEDERAL	GW	TA
ROSEWOOD 5-6	05-12S-22E	43-047-33132	12450	FEDERAL	GW	P
HANGING ROCK FEDERAL I 1-4	01-12S-23E	43-047-32855	12389	FEDERAL	GW	P
HANGING ROCK FEDERAL I 10-13	10-12S-23E	43-047-33098	12429	FEDERAL	GW	S
HANGING ROCK FEDERAL I 12-12	12-12S-23E	43-047-33096	12427	FEDERAL	GW	S
HANGING ROCK I 12-9	12-12S-23E	43-047-33101	12396	FEDERAL	GW	S
HANGING ROCK I 15-7	15-12S-23E	43-047-33099	12428	FEDERAL	GW	S
TOBY FEDERAL F 6-15	06-12S-24E	43-047-32757	12037	FEDERAL	GW	P
TUCKER FEDERAL F 8-2	08-12S-24E	43-047-32993	12386	FEDERAL	GW	P
TUCKER FEDERAL F 8-4	08-12S-24E	43-047-32872	12125	FEDERAL	GW	P
CENTER FORK FEDERAL 17-4	17-12S-24E	43-047-32750	12038	FEDERAL	GW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 04/29/2002
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 04/29/2002
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 07/03/2002
4. Is the new operator registered in the State of Utah: YES Business Number: 5078926-0143
5. If **NO**, the operator was contacted contacted on: N/A
6. (R649-9-2) Waste Management Plan received on: IN PLACE

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 06/18/2002

7. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 06/18/2002

8. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 07/05/2002
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 07/05/2002
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: N/A

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 1268

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
   The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other

2. Name of Operator: **McElvain Oil & Gas Properties, Inc.**

3a. Address: **1050 - 17th Street, Suite 1800 Denver, CO. 80265**

3b. Phone No. *(include area code)*: **303.893.0933**

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*: **1946' FNL & 1936' FWL SENW Sec. 5, T12S-R22E S.L.B.&M.**

5. Lease Serial No.: **UTU-73019**

6. If Indian, Allottee or Tribe Name: **na**

7. If Unit or CA/Agreement, Name and/or No.: **na**

8. Well Name and No.: **Rosewood Federal # 5-6**

9. API Well No.: **43-047-33132**

10. Field and Pool, or Exploratory Area: **Buck Canyon**

11. County or Parish, State: **Uintah, Utah**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☑ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. proposes to Plug & Permanently Abandon the wellbore, remove the production equipment, reclaim & reseed the location within 8 weeks of receiving approval to proceed. All proposed cement will be Class B cement (1.18 Yield & 15.6 ppg). GLE = 6,232', KB = 15', KBE = 6,247'. Wasatch top @ 3634' & Mesaverde top @ 5605'. A detailed P&A proposal is attached and a summary of this proposal is as follows:
Remove Pkr (if possible) & tubing from well.
PLUG #1: WL set CIBP #1 @ 5725 over all Mesaverde perf (5751-5867' gross). Run tbg & pump 20 sx cmt from 5455 to 5725 to cap CIBP & cover Mesaverde formation top. (Minimum TOC required @ 5505'). Pickup, circulate plug mud above TOC then pull tubing from well.
PLUG #2: WL set CIBP #2 @ 5200 over Wasatch perfs (5231-41). Perform bradenhead test. Load casing & test to 1,000 psi, monitor surface x production casing annulus. Run tbg & pump 15 sx cmt from 5000 - 5200 to cap CIBP. (Min TOC required @ 5150). LD all but 3,750' of tubing.
PLUG #3: Mix, pump & balance 20 sx cmt plug from 3750 to 3480. (Min TOC required @ 3498' = 100' above DV tool. LD all but 606' of tbg.
PLUG #4: Mix, pump & balance 15 sx cmt plug from 406 to 606 to place 100' above and below surface casing shoe. Pick up to 375 & circ. clean. LD remainder of tbg.
PLUG #5: Shoot squeeze hole @ 375 & attempt to establish circulation up 4.5" production x 9.625" surface casing. Circulate clean. Mix & pump 130 sx cmt down 4.5" csg & circulate to surface to complete down-hole wellbore P&A.
Cut-off wellhead & deadmen. Install dry-hole marker. Remove production equipment. Reclaim & Bring location to grade. Reseed location.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*: **E. Reed Fischer** Title **Senior Operations Engineer**

Signature: E. Reed Fischer Date: 9/25/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by: Title Pet. Eng Date 9/30/09

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office DOGM

Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

COPY SENT TO OPERATOR
Date: 10.7.2009
Initials: KS

RECEIVED
SEP 28 2009
DIV. OF OIL, GAS & MINING

McELVAIN OIL & GAS PROPERTIES, INC.

Rosewood Federal # 5-6
SENW Sec. 5, T12S-R22E
Uintah County, Utah
API # 43-047-33132
Federal Lease # UTU 73019

Plug & Abandon Procedure
September 25, 2009

DRILL TD: 6,250' PBTD from CBL: 6,188' GLE: 6,232' KB: 15' KBE: 6,247'

FORMATION TOPS:

Wasatch:	3,634'
Mesaverde:	5,605'

CASING:

9 5/8", 36#, J-55 ST&C @ 506' KB 12 1/4" hole
Halliburton cemented to surface w/300 sx 'G'

4 1/2", 11.6#, N-80 LT&C @ 6,248' KB in 7 7/8" hole.
Cemented in 2 stages through Stage Tool @ 3,598' with Halliburton:
1st Stage: 350 sxs 'G' cement (Density: 12.4 ppg)
2nd Stage Lead: 400 sx HalcoLite
2nd Stage Tail: 50 sxs 'G', Good returns throughout but no cement to surface.

TOC Stage 1 @ 4,570 ft (CBL)
TOC Stage 2 @ 410 ft (CBL)

CURRENT PERFORATIONS:

Mesaverde:	5,861 – 5,867' @ 4 spf on 12/1/99 (Natural, Sold 1MM down to 200 MCFGD,16 days up tubing)
	5,855 – 5,859' @ 4 spf on 12/1/99 (Natural, Sold 1MM down to 200 MCFGD,16 days up tubing)
	5,751 – 5,767' @ 4 spf on 2/9/00 (KCl Breakdown, Tight < 25 MCFGD up tubing)
Wasatch:	5,231 – 5,241' @ 4 spf on 2/12/00 (Natural Completion ± 300 MCFGD up casing)

CURRENT TUBING/BHA: *(as of 2-17-2000)*
183 jts 2 3/8", 4.7# J-55 EUE tbg, 'X' @ 5750', 1 jt, Arrow XO Sliding Sleeve @ 5784, 8' tubing pup, ON/OFF Arrowset 1-X Pkr @ 5797', 8' tubing pup, 'XN' @ 5809', Glass Disc Sub w/NC @ 5810'.

PROCEDURE:

1. Obtain Approved P&A Sundry Notice of Intent with Conditions of Approval (COA).
2. Provide Timely Notifications required under COA.
3. Test Dead-men. Bypass well to tank to load up & kill.
4. MIRU Service Rig. Spot in return tank, tubing float, cement & WL equipment.
5. Blow well down & kill w/fresh water if necessary.
6. ND WH & NU BOP
7. Release Pkr @ 5797'or release from On/Off, @ 5793'. Pull, Tally & visually inspect tubing.

8. RU wire line unit. If unable to retrieve packer, run gauge ring to 5730'. MU, run & set CIBP #1 @ ± 5725'. Stand-down WL. (Note casing collar @ 5719').
9. TIH w/SN on tubing to just above CIBP #1.
10. Load hole. If possible, circulate hole clean.
11. Mix & pump 20 sx Class B cement on top of CIBP #1(approx 270') as PLUG # 1 from 5,725' to 5,455' to cap CIBP and place 150' of cement above Mesaverde top.
12. Pick up 100' above TOC & circulate plug mud.
13. Lay down all but 5,175' of tubing & POOH.
14. RU WL & set CIBP #2 @ ± 5,200' (Note casing collar @ 5,189').
15. Dig up around wellhead. Check bradenhead pressure & perform pump-in test.
16. Load hole & PT casing to 1,000 psi. Monitor 4.5" x 9.625" annulus.
17. TIH w/SN on tubing to just above CIBP #2.
18. Mix & pump 15 sx Class B cmt above CIBP #2 (approx. 200') as PLUG # 2 from 5,200 to 5,000'.
19. Lay down all but 3,750' of tubing.
20. Mix, pump & spot 20 sx Class B cmt as balanced plug from 3,750 to 3,480 (119' above DV tool) as PLUG #3.
21. Lay down all but 606' of tubing.
22. Mix, pump & spot 15 sx Class B cmt as balanced plug from 606' to 406' (across surface casing shoe) as PLUG # 4.
23. Pick up to 395' and circulate hole clean. Lay down remainder of tubing.
24. RU WL & RIH w/perf gun. Shoot squeeze holes @ 375'.
25. RDMO wireline.
26. Establish circulation between 4.5" production and 9.625" intermediate casing annulus with water.
27. Mix, pump & circulate 130 sk cement surface plug as PLUG # 5.
28. ND and wash out BOPE & top 6 feet of production casing for dry hole marker.
29. RDMO pump truck.
30. Cut off wellhead & prep for dry-hole marker.
31. RDMO pulling unit.
32. Cut-off deadmen. Install dry-hole marker. Reclaim & Reseed location.

Proposed P&A Operations Summary:

PLUG 1: CIBP#1 @ 5,725' + 20 sx cement 270' plug from 5,725 to 5,455'. Minimum required TOC @ 5,505' = 100' above Mesaverde Formation top

PLUG 2: CIBP #2 @ 5,200; + 15 sx cement 200' plug from 5,200 to 5,000'. Minimum required TOC @ 5,150' = 50' cement cap on CIBP

PLUG #3: 20 sx cement 270' balanced plug from 3,750 to 3,480'. Minimum required TOC @ 3,498' = 100' above DV tool and > 100' above Wasatch Formation top.

PLUG #4: 15 sx cement 200' plug from 606 to 406'. Minimum required TOC @ 406' = 100' above surface casing shoe

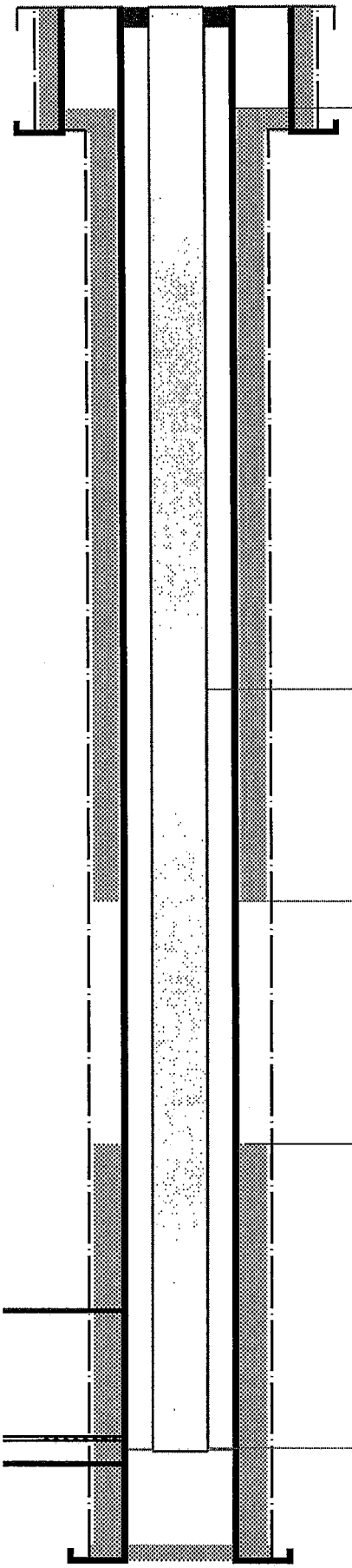
SQUEEZE HOLEs @ 375': To place cement in surface casing & production casing annulus

PLUG #5: 130 sx cement plug 375' to surface inside and outside production casing. Minimum required = 50' surface plug inside and outside of production casing.

2 CIBPs w/cement caps, 2 balanced plugs, 1 set squeeze holes w/cement surface plug
200 sacks Class B cement (1.18 Yield, 15.6 Density). 90 bbls plug mud

Rosewood Fed #5-6

SENW Sec 5 T12S R22E
Uintah County Utah
API# 43-047-33132
Pre P&A WB Diagram



SURFACE CASING in 12 1/4" hole
9 5/8" 36# J55 @ 506'
Howco Cmtd with 300 sx Class G

Stage 2 TOC @ 410'

2 3/8" 4.7# J55 @ 5810'
183 jts..X..1 jt..Arrow XO Sliding
Slve..8'Pup..ON/OFF..Arrowset1X Pkr
8'Pup..XN..Disc Sub..EOT @ 5810'

DV Tool Set @ 3599'

Wasatch Top @ 3634'

Stage 1 TOC @ 4570'

300 MCFD Csg 2-12-00 Perfs 5231-5241

Mesaverde Top @ 5605'

25 MCFD Tbg 2-9-00 Perfs 5751-5767
1 MMCFGD Tbg 12-1-99 Perfs 5855-5859
1 MMCFGD Tbg 12-1-99 Perfs 5861-5867

Arrowset 1-X PKR @ 5797'

PRODUCTION CASING in 7 7/8" hole
4 1/2" 11.6# N80 @ 6248'
Stage 1 350sx Class G + Add
Stage 2 Lead 400sx Halcolite
Stage 2 Tail 50sx Class G + Add

PBTD: 6188'

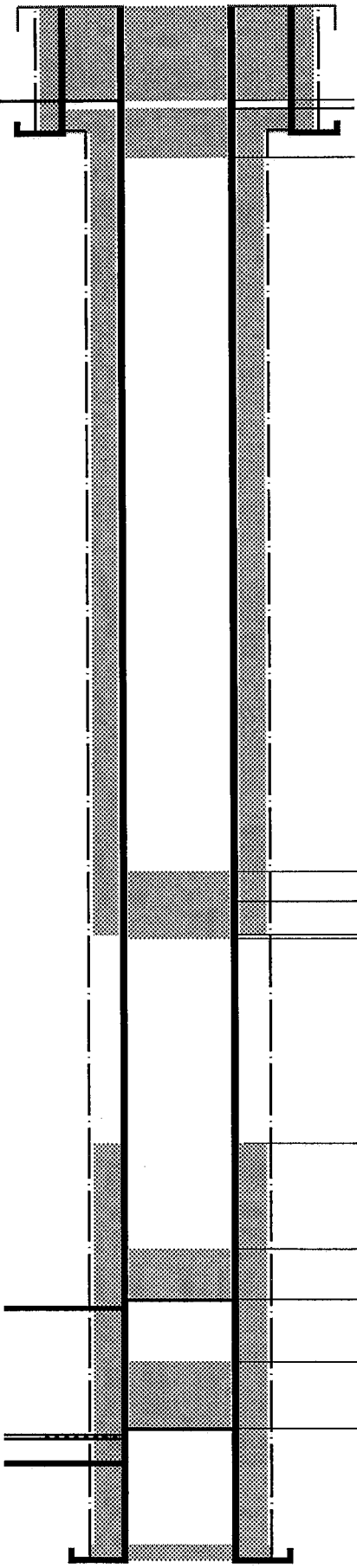
TD: 6250'

Diagram: 0' to 6250'
VERT Scale: 1"=667'

23 Sep 2009
File: Rosewood Fed 5-6.WP4

Rosewood Fed #5-6

SENW Sec 5 T12S R22E
Uintah County Utah



Cmt Plug #5 Surf to 375

Sqz Holes #2 Perfs 375-376

SURFACE CASING in 12 1/4" hole
9 5/8" 36# J55 @ 506'

Cmt Plug #4 406 to 606

Cmt Plug #3 3480 to 3750

DV Tool Set @ 3599'

Wasatch Top @ 3634'

Stage 1 TOC @ 4570'

Cmt Plug #2 5000 to 5200

300 MCFD Csg 2-12-00 Perfs 5231-5241

CIBP #2 @ 5200

Cmt Plug #1 5455 to 5725

Mesaverde Top @ 5605'

25 MCFD Tbg 2-9-00 Perfs 5751-5767
1 MMCFGD Tbg 12-1-99 Perfs 5855-5859
1 MMCFGD Tbg 12-1-99 Perfs 5861-5867

CIBP #1 @ 5725

PRODUCTION CASING in 7 7/8" hole
4 1/2" 11.6# N80 @ 6248'
Stage 1 350sx Class G + Add
Stage 2 Lead 400sx Halcolite
Stage 2 Tail 50sx Glass G + Add

PBTD: 6188'

TD: 6250'

Diagram: 0' to 6250'
VERT Scale: 1"=667'

25 Sep 2009
File: Rswd Fed 5-6 P&A.WP4

P&A

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other

2. Name of Operator: **McElvain Oil & Gas Properties, Inc.**

3a. Address: **1050 - 17th Street, Suite 1800 Denver, CO. 80265**

3b. Phone No. *(include area code)*: **303.893.0933**

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*

1946' FNL & 1936' FWL SENW Sec. 5, T12S-R22E S.L.B.&M.

5. Lease Serial No.: **UTU-73019**

6. If Indian, Allottee or Tribe Name: **na**

7. If Unit or CA/Agreement, Name and/or No.: **na**

8. Well Name and No.: **Rosewood Federal # 5-6**

9. API Well No.: **43-047-33132**

10. Field and Pool, or Exploratory Area: **Buck Canyon**

11. County or Parish, State: **Uintah, Utah**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☑ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☑ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas Properties, Inc. with APlus Well Service plugged the Rosewood Federal # 5-6 wellbore between 10-20-09 and 10-22-09. All cement was Class B (1.18 Yield & 15.6 ppg). All plug mud and displacement fluid (other than spacer) were premixed w/5 gals corrosion inhibitor and 5 gals biocide per 100 bbls water. Placement of all CIBPs & cement plugs were witnessed by the BLM's Mr. Cade Taylor. Misc. Information: GLE = 6,232', KB = 15', KBE = 6,247', Surface Csg. shoe @ 506', Wasatch top @ 3634', DV @ 3598' & Mesaverde top @ 5605'. Perforations @ 5231-41', 5751-67', 5855-59' & 5861-67'. Plugging Details as follows:
10/20/09: MIRU APlus Well Service. NU BOPE. Release pkr @ 5797' & pull tbg & pkr from well. SDFN.
10/21/09: RU WL. Run & set CIBP #1 @ 5,725'. TIH w/tbg. Fill hole w/46 bbs plug mud. Mix & pump 20 sx cmt above CIBP (PLUG #1 from 5455 to 5725'). Pull tbg. RU WL. Run & set CIBP #2 @ 5200'. RD WL. Fill & test casing to 650#. Checked 9-5/8"x4-1/2" annulus. No pressure. TIH w/tbg. Press Test 9-5/8"x4-1/2" annulus to 500#. Held. Mix & pump 15 sx cmt above CIBP (PLUG #2 from 4997 to 5200'). Pull tbg to 3773'. Mix & pump 23 sx cmt. PU away from cmt top to WOC for plug tag in A.M. SDFN.
10/22/09: Drop down to tag hard cmt at 3675. Unable to circulate. POOH w/tbg & LD 4 cmt filled jts tbg. TIH & circulate cmt returns down to 3648'. Mix & pump another 15 sx cmt (PLUG #3 from 3773 to 3446'). PU to 606'. Mix & Pump 15 sx cmt. (PLUG #4 from 606 to 404'). PU above TOC & circ. hole clean. LD remainder of tbg. RU WL & perf sqz holes @ 375. RD WL. Break circ. up 4-1/2"x9-5/8" annulus & circulate clean. Mix & pump 140 sx cmt down 4.5" csg & circulate cmt to surface. (PLUG #5 from 375' to surface). ND BOPE. Dig out cellar. Cut-off both strings csg 3' below GL. Install dry-hole plate. Cut off deadmen. RDMO APlus Well Service. Reclaim to Follow.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*: **E. Reed Fischer** Title **Senior Operations Engineer**

Signature: E. Reed Fischer Date: 10/26/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

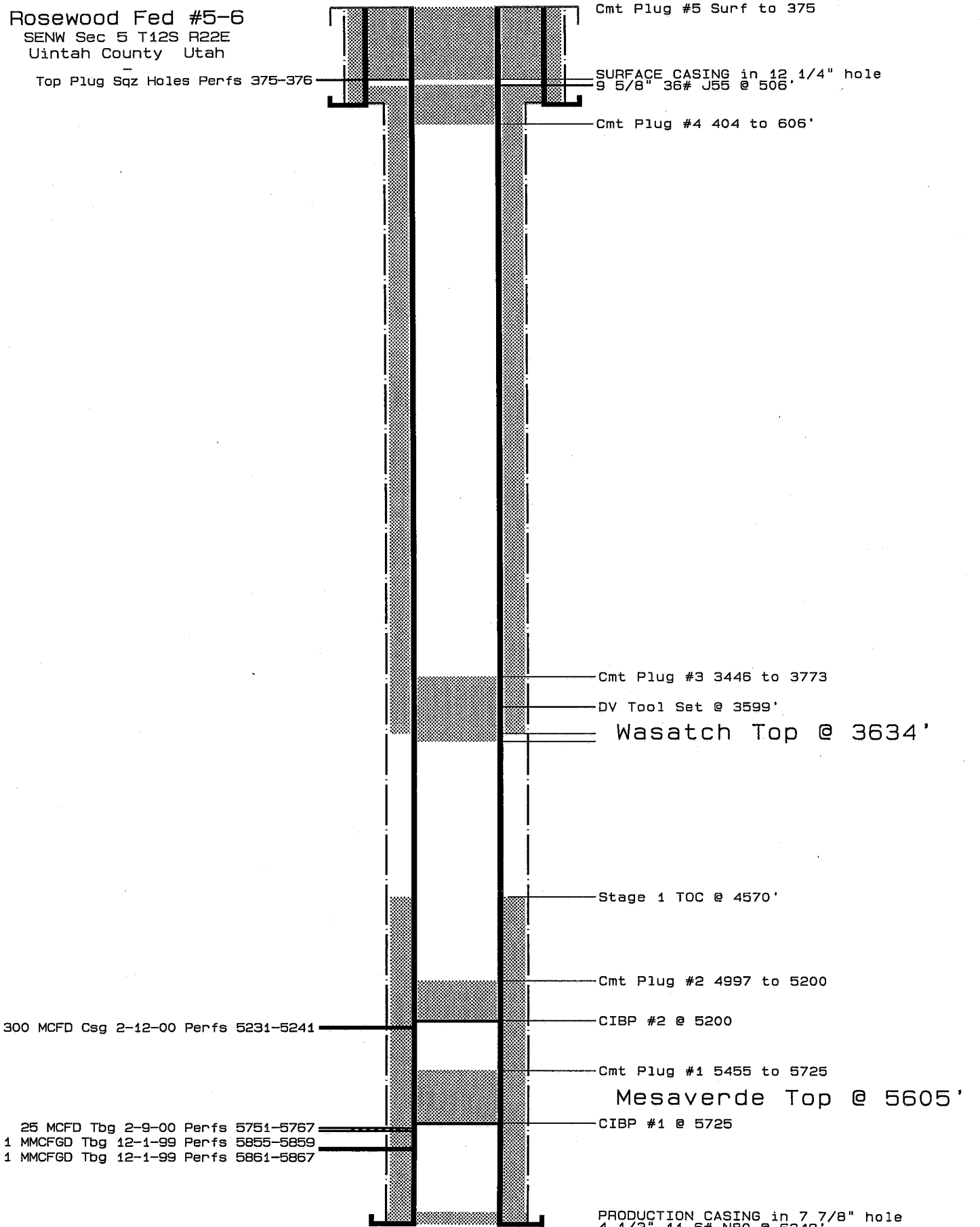
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED
OCT 29 2009
DIV. OF OIL, GAS & MINING

Rosewood Fed #5-6

SENW Sec 5 T12S R22E
Uintah County Utah



27 Oct 2009
File: Rswd Fed 5-6 P&A.WP4

McElvain Oil & Gas Properties, Inc.

Completion Report

Well Name:	**Rosewood Federal 5-6**		**Date:**	**10/22/2009**	Thursday	**Report No.**	**3**
Location	SENW S-5, T-12S, R-22E		County	Uintah	State	Utah	
API #	43-047-33132		Lease #	UTU 73019	GL;KB	6,232; 15 ft	
Latitude	39° 48' 16.5" N		Longitude	109° 28' 53.2" W			
TD	6,250	**PBTD - RBP** 6,250	Rig #, op.	6, George	Company:	A-Plus Services	
Casing Size	4.5, 11.6	**Depth Set** 6,248	Liner Size		From		
Tubing Size	2_3/8	**Depth Set** 5,810	S.N depth		**TAC**		
Perforations	5,867 - 5,861; 5,859 - 5,855; 5,767 - 5,751; 5,241 - 5,231						

Summary of Operations.	**Tag plug # 3, Pump plug 3A, Pump plug 4, Pump surf plug. Cut off csg & weld on marker. RD.**
Current Operations.	**Rig released till Monday.**

Description of Operations

Time	Hours	
07:00 to 07:30	0.50	Start rig, Safety meeting. **BLM inspector Cade Taylor on location.**
07:30 to 08:00	0.50	RIH, Tag plug # 3 @ 3,675' w/ 4K.
08:00 to 08:30	0.50	Raise EOT to 3,670'. Attempt to break circulation down tbg, unable to circulate w/ 1,500 psi.
08:30 to 09:45	1.25	POOH tbg. Lay down 4 joints, (126 feet), full of cement.
09:45 to 11:15	1.50	RIH & reverse circulate to 3,648 ft. Recovered cement fines and water.
11:15 to 11:30	0.25	Mix & pump plug # 3B; 15 sx "B" cmt @ 1.18 yield, 15.2 ppg. Displace w/ 12 bbls of treated
		water. Plug # 3A should cover 202 ft, top of cmt plug @ 3,446 ft.
11:30 to 13:30	2.00	POOH laying down for next plug. EOT @ 606 ft.
13:30 to 13:45	0.25	Mix & pump plug # 4; 15 sx "B" cmt @ 1.18 yield, 15.3 ppg. Displace w/ 1.5 bbls of treated
		water. Plug # 4 should cover 202 ft, top of cmt plug @ 404 ft.
13:45 to 14:15	0.50	Lay down 7 joints. EOT @ 400 ft. Reverse circulate well bore for perforating @ 375'.
14:15 to 14:30	0.25	Finish L/D tbg string.
14:30 to 14:45	0.25	Perforate 4_1/2" csg w/ 3 shots @ 375 ft. Break circulation from 4_1/2" to 9_5/8" casing.
14:45 to 15:00	0.25	Mix & pump surface plug cement into 4_1/2 & out 9_5/8 till had good cement returns.
		Used 140 sx of "B" cmt @ 1.18 yield, 15.3 ppg. Maximum pumping pressure of 400 psi.
		Did not have any communication to surface behind 9_5/8" casing.
15:00 to 15:30	0.50	Rig down floor, ND BOP.
15:30 to 16:45	1.25	Dig out cellar, cut both csg strings off 3' below ground level. Weld on dry hole marker plate.
16:45 to 18:30	1.75	Rig down rig. Cut off anchors.
	3.00	**Drive time**

Costs	To Day	Cumm
Tangible	$0	$0
Intangible	$11,890	$30,229
Total	$11,890	$30,229

Total	14.50

Supervisor:	Cole Thomas

McElvain Oil & Gas Properties, Inc.

Completion Report

Well Name:	Rosewood Federal 5-6			Date:	10/21/2009	Wednesday	Report No.	2
Location	SENW S-5, T-12S, R-22E			County	Uintah	State	Utah	
API #	43-047-33132			Lease #	UTU 73019	GL;KB	6,232; 15 ft	
Latitude	39° 48' 16.5" N			Longitude	109° 28' 53.2" W			
TD	6,250	PBTD - RBP	6,250	Rig #, op.	6, George	Company:	A-Plus Services	
Casing Size	4.5, 11.6	Depth Set	6,248	Liner Size		From		
Tubing Size	2_3/8	Depth Set	5,810	S.N depth		TAC		
Perforations	5,867 - 5,861; 5,859 - 5,855; 5,767 - 5,751; 5,241 - 5,231							

Summary of Operations.	**Set CIBPs 1 & 2 & cap w/ cmt. Press test 4_1/2 & 9_5/8 csg. Spot plug # 3. PU above cmt.**
Current Operations.	**RIH & tag cement.**

Description of Operations

Time	Hours	
07:15 to 07:45	0.50	Start rig, Safety meeting. **BLM inspector Cade Taylor on location.**
07:45 to 08:45	1.00	Rig up wire line. Set CIBP @ 5,725'. Six feet below collar @ 5,719 ft.
08:45 to 10:45	2.00	RIH tbg strapping in w/ seating nipple on bottom.
10:45 to 12:15	1.50	Rig up pump truck. Fill hole w/ water. 46 bbls to fill. Mix & pump 20 sx "B" cmt @ 1.18 yield & 15.3+ ppg on top of CIBP. Displace w/ 20 bbls of water treated w/ corrosion inhibitor & biocide @ 5 gal/100 bbls. Plug # 1 should cover 270 ft, top of cmt plug @ 5,455 ft.
12:15 to 13:45	1.50	POOH laying down tbg & stand back rest for next plug.
13:45 to 14:30	0.75	Rig up wire line. Set CIBP @ 5,200'. 11 feet below collar @ 5,189 ft.
14:30 to 15:00	0.50	Fill hole w/ water. Press test 4_1/2" casing w/ 650 psi. Held with no leaks in csg, BLM was happy with the test & pressure. Checked 9_5/8 x 4_1/2 annulus & had no blow. Bleed off pressure from 4_1/2" casing.
15:00 to 16:15	1.25	RIH tbg & seating nipple to CIBP @ 5,200 ft. Test 9_5/8 x 4_1/2 annulus w/ 500 psi. Held, took 3.9 bbls to fill, about 55 ft.
16:15 to 16:45	0.50	Circulate 4_1/2" casing w/ treated water.
16:45 to 17:00	0.25	Mix & pump plug # 2; 15 sx "B" cmt @ 1.18 yield, 15.4 ppg. Displace w/ 18 bbls of treated water. Plug # 2 should cover 203 ft, top of cmt plug @ 4,997 ft.
17:00 to 17:30		POOH laying down tbg for next plug. EOT @ 3,773 ft.
17:30 to 17:45	0.25	Mix & pump plug # 3; 23 sx "B" cmt @ 1.18 yield, 15.4 ppg. Displace w/ 12 bbls of treated water. Plug # 3 should cover 311 ft, top of cmt plug @ 3,462 ft.
17:45 to 18:15	0.50	POOH laying down 10 jts of tbg & standing back 10 stands. EOT @ 2,833 ft.
18:15 to 18:30	0.25	Shut down & secure well for night.
		Drive time

Costs	To Day	Cumm
Tangible	$0	$0
Intangible	$12,837	$18,339
Total	$12,837	$18,339

Total	10.75

Supervisor:	Cole Thomas

McElvain Oil & Gas Properties, Inc.

Completion Report

Well Name:	Rosewood Federal 5-6			Date:	10/20/2009	Tuesday	Report No.	1
Location	SENW S-5, T-12S, R-22E			County	Uintah	State	Utah	
API #	43-047-33132			Lease #	UTU 73019	GL;KB	6,232; 15 ft	
Latitude	39° 48' 16.5" N			Longitude	109° 28' 53.2" W			
TD	6,250	PBTD - RBP	6,250	Rig #, op.	6, George	Company:	A-Plus Services	
Casing Size	4.5, 11.6	Depth Set	6,248	Liner Size		From		
Tubing Size	2_3/8	Depth Set	5,810	S.N depth		TAC		
Perforations	5,867 - 5,861; 5,859 - 5,855; 5,767 - 5,751; 5,241 - 5,231							

Summary of Operations.	**Road Rig to location, MIRU. Release PKR, POOH.**
Current Operations.	**Run guage ring before setting CIBP.**

Description of Operations

Time	Hours	
07:45 to 09:45	2.00	Road Rig to location.
09:45 to 11:00	1.25	Spot & rig up rig.
11:00 to 14:30	3.50	Nipple Down well head. Nuts & bolts tight & rusted. Nipple Up BOP, work floor, tongs & slips.
14:30 to 17:30	3.00	Release PKR & pull production string out of hole. Break out & lay down open Sliding Sleeve, PKR, glass disk sub & pups. There was a sand, clay & salt plug in the last 3 ft of the tbg w/ condensate above that to the sliding sleeve ports. This plug was not packed hard as it was removed by tapping on the notched collar with a hammer.
17:30 to 17:45	0.25	Shut down & secure well for the night.
		Drive time
Total	10.00	

Costs	To Day	Cumm
Tangible	$0	$0
Intangible	$3,850	$3,850
Total	$3,850	$3,850

Supervisor: Cole Thomas